

By Mr. FAIRCHILD: A bill (H. R. 15299) granting an increase of pension to Eliza Brotherton; to the Committee on Invalid Pensions.

By Mr. ROY G. FITZGERALD: A bill (H. R. 15300) granting an increase of pension to Susan A. Fuller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15301) granting a pension to Katherine Wert; to the Committee on Pensions.

By Mr. W. T. FITZGERALD: A bill (H. R. 15302) granting an increase of pension to Nancy E. Meeks; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15303) granting a pension to Sadie Waitman; to the Committee on Invalid Pensions.

By Mr. HALL of Indiana: A bill (H. R. 15304) granting a pension to Mary Shanks; to the Committee on Invalid Pensions.

By Mr. HASTINGS: A bill (H. R. 15305) for the relief of Ben Wagner; to the Committee on Claims.

By Mr. KUNZ: A bill (H. R. 15306) granting an increase of pension to James McDonough; to the Committee on Invalid Pensions.

By Mr. KURTZ: A bill (H. R. 15307) granting an increase of pension to Annie I. Latherow; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15308) granting an increase of pension to Fannie S. Gibboney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15309) granting an increase of pension to Annie P. Boyles; to the Committee on Pensions.

Also, a bill (H. R. 15310) granting an increase of pension to Mary E. Gifford; to the Committee on Invalid Pensions.

By Mr. LEA of California: A bill (H. R. 15311) granting an increase of pension to George Sokoloff; to the Committee on Pensions.

By Mr. LEATHERWOOD: A bill (H. R. 15312) granting a pension to Emma E. Davis; to the Committee on Invalid Pensions.

By Mr. LINEBERGER: A bill (H. R. 15313) for the relief of Charles L. Chaffee; to the Committee on Military Affairs.

By Mr. McLEOD: A bill (H. R. 15314) granting an increase of pension to Gustav F. Breiter; to the Committee on Pensions.

By Mr. MARTIN of Massachusetts: A bill (H. R. 15315) granting an increase of pension to Fannie B. Melvin; to the Committee on Invalid Pensions.

By Mr. MEAD: A bill (H. R. 15316) granting a pension to Carrie E. Block; to the Committee on Invalid Pensions.

By Mr. MICHENER: A bill (H. R. 15317) granting a pension to Stella B. McDonald; to the Committee on Invalid Pensions.

By Mr. MOREHEAD: A bill (H. R. 15318) granting an increase of pension to Francis H. P. Showalter; to the Committee on Invalid Pensions.

By Mr. NELSON of Maine: A bill (H. R. 15319) granting an increase of pension to Eliza F. Withee; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15320) granting an increase of pension to Hattie E. Johnson; to the Committee on Invalid Pensions.

By Mr. PERKINS: A bill (H. R. 15321) for the relief of Charles H. Niehaus, sculptor, for losses in connection with Francis Scott Key memorial at Baltimore, Md.; to the Committee on Claims.

By Mr. ROBSION of Kentucky: A bill (H. R. 15322) granting an increase of pension to Litia Mills; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15323) granting an increase of pension to Martha E. Brittain; to the Committee on Invalid Pensions.

By Mr. ROMJUE: A bill (H. R. 15324) granting an increase of pension to Arriadne Stewart; to the Committee on Invalid Pensions.

By Mr. SCHAFER: A bill (H. R. 15325) granting an increase of pension to Mathew Baker; to the Committee on Pensions.

By Mr. SPEAKS: A bill (H. R. 15326) granting an increase of pension to Jane Ankrom; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15327) granting an increase of pension to Margaret Steadman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15328) granting an increase of pension to Martha J. Whitney; to the Committee on Invalid Pensions.

By Mr. STRONG of Kansas: A bill (H. R. 15329) granting an increase of pension to Thomas Pruett; to the Committee on Pensions.

Also, a bill (H. R. 15330) granting an increase of pension to Hannah Alstrum; to the Committee on Invalid Pensions.

By Mr. THATCHER: A bill (H. R. 15331) granting a pension to Charles S. Gatewood; to the Committee on Pensions.

By Mr. UNDERHILL: A bill (H. R. 15332) for the relief of John W. Reardon; to the Committee on Naval Affairs.

By Mr. VINSON of Kentucky: A bill (H. R. 15333) granting a pension to Amanda Refitt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15334) granting a pension to Jesse P. Gaither; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4359. Petition of Florida State Chamber of Commerce, requesting Congress to repeal the Federal inheritance tax law; to the Committee on Ways and Means.

4360. By Mr. ARENTZ: Petition of Joint Committee of Truckee Meadow Water Users and Water Users of the Newlands Project, Nevada, calling for passage of legislation directing the Secretary of the Interior to make examination and report of available storage sites upon upper Truckee River basin; to the Committee on Irrigation and Reclamation.

4361. By Mr. CARTER of California: Petition by the California Pharmaceutical Association, indorsing House bill 11, the Kelly price standardization bill; to the Committee on Interstate and Foreign Commerce.

4362. By Mr. GALLIVAN: Petition of metal trades department, American Federation of Labor, A. J. Berres, secretary-treasurer, 400-403 American Federation of Labor Building, Washington, D. C., recommending a thorough investigation of the shipbuilding industry, in which public moneys are expended, with a view to eliminating discrimination against American trade unionists and other citizens, etc.; to the Committee on Labor.

4363. By Mr. IRWIN: Petition of the residents and voters of Waterloo, Ill., praying for the enactment of legislation at this session to increase the pensions of Civil War veterans and their widows and to remove the limitation on the date of marriage of Civil War widows; to the Committee on Invalid Pensions.

4364. By Mr. KELLY: Petition of Scandinavian Grand Lodge of I. O. G. T., in session assembled in Braddock, Pa., opposing the reduction of immigration from Scandinavian countries below those at present in force; to the Committee on Immigration and Naturalization.

4365. By Mr. LEA of California: Petition of 44 residents of Humboldt County, Calif., protesting against compulsory Sunday observance legislation; to the Committee on the District of Columbia.

4366. By Mr. LEAVITT: Petition of the Montana State Press Association, urging the United States Government to not compete with strictly private business organizations in the printing business; to the Committee on the Post Office and Post Roads.

4367. By Mr. O'CONNELL of New York: Petition of the Ohio Valley Improvement Association, affecting the improvement of the Ohio River; to the Committee on Rivers and Harbors.

4368. Also, petition of George Borgfeldt & Co., New York City, N. Y., favoring the passage of House bill 5025; to the Committee on Flood Control.

4369. Also, petition of the American Fruit and Vegetable Shippers Association of Chicago, Ill., favoring the reduction of the Federal corporation tax; to the Committee on Ways and Means.

SENATE

FRIDAY, December 17, 1926

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our heavenly Father, Lord of us all, we desire to come into Thy presence this morning confident of Thy graciousness. Grant unto us at this time such a sense of nearness to the things that make for peace and happiness so that our lives may be influenced only by those high motives which mean success in moral achievement. Hear us, we beseech Thee, Father. Be very precious to each life, and may the words of our mouth and the meditations of our hearts be acceptable in Thy sight, O Lord, our Redeemer. Amen.

The Chief Clerk proceeded to read the Journal of the proceedings of the legislative day of Wednesday, December 15, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

HOLIDAY RECESS

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had

adopted the following concurrent resolution (H. Con. Res. 44), in which it requested the concurrence of the Senate:

Resolved by the House of Representatives (the Senate concurring). That when the two Houses adjourn on the legislative day of December 22, 1926, they stand adjourned until 12 o'clock meridian, Monday, January 3, 1927.

On motion of Mr. CURTIS and by unanimous consent, the concurrent resolution was referred to the Committee on Appropriations.

CREDENTIALS

The VICE PRESIDENT laid before the Senate the certificate of election of CHARLES W. WATERMAN, of Colorado, which was read and ordered to be filed, as follows:

CERTIFICATE OF ELECTION

STATE OF COLORADO, OFFICE OF SECRETARY OF STATE.

I, Carl S. Milliken, secretary of state of the State of Colorado, do hereby certify that at a meeting held at this office in the city of Denver on the 27th day of November, A. D. 1926, Clarence J. Morley, governor; Carl S. Milliken, secretary of state; Charles Davis, auditor; W. D. MacGinnis, treasurer; William L. Boatright, attorney general; the State board of canvassers of the State of Colorado, proceeded to examine and make statements of the whole number of votes given at an election held on the 2d day of November, A. D. 1926, for officers mentioned in section 53 of an act of the general assembly of said State, entitled "Elections," and approved March 8, A. D. 1877, that were voted for at said election; which statements, certified to be correct and subscribed by the members of said State board of canvassers, with a certificate of their determination as to what persons were duly elected to such offices, or any of them, indorsed and subscribed thereon, were filed in my office.

I further certify that, by said statements and certificates of determination, it appears that CHARLES W. WATERMAN having received the highest number of votes cast at said election for any one person for the office of United States Senator, said number being 149,585 votes, was by said State board of canvassers declared duly elected to said office.

In testimony whereof I have hereunto set my hand and affixed the great seal of this State at the city of Denver this 1st day of December, A. D. 1926.

[SEAL.]

CARL S. MILLIKEN,
Secretary of State.

Mr. DILL presented the certificate of election of WESLEY L. JONES, of Washington, which was read and ordered to be filed, as follows:

STATE OF WASHINGTON, EXECUTIVE DEPARTMENT, Olympia.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 2d day of November, 1926, WESLEY L. JONES was duly chosen by the qualified electors of the State of Washington a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 4th day of March, 1927.

In witness whereof I have hereunto set my hand and caused the seal of the State to be affixed at Olympia this 3d day of December, 1926, and of our State the thirty-eighth year.

RONALD H. HARTLEY,
Governor of Washington.

By the governor:

[SEAL.]

J. GRANT HINKLE,
Secretary of State.

PETITIONS

Mr. WILLIS. I present a brief resolution, which I ask may be printed in the RECORD and referred to the Committee on Foreign Relations.

There being no objection, the resolution was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

BEACH CITY, OHIO, December 16, 1926.

HON. FRANK B. WILLIS,
Washington, D. C.

MY DEAR SIR: The following resolution was passed unanimously by the Laymen's Association of the Canton District, Methodist Episcopal Church, in session at Beach City, Ohio, December 12, 1926. Eighty-four churches represented:

Be it resolved, That the Laymen's Association of the Canton District, Northeast Ohio Conference, Methodist Episcopal Church, in session at Beach City, Ohio, December 12, 1926, express our sympathy for the Government of Mexico in its struggle to establish and maintain free government and religious liberty in that country and to so legislate that the masses of her people may benefit by the great natural resources of the land.

That our Government at Washington be urged to abstain from interference in the Mexican internal affairs under any pretext whatever.

That a copy of these resolutions be sent to Senators WILLIS and FESS and Congressman MCSWENEY.

This resolution was introduced by Attorney Reed, of Uhrichsville, Ohio.

W. C. MYERS,
Dover, Ohio, President.
A. B. WINGATE,
Beach City, Ohio, Secretary.

Mr. CAPPER presented a petition of sundry citizens of Moundridge, Kans., praying for the passage of legislation regulating radio broadcasting, which was ordered to lie on the table.

Mr. REED of Pennsylvania presented a petition of sundry citizens of Indiana County, Pa., praying an amendment to the Constitution recognizing therein the authority of Christ and the law of God, which was referred to the Committee on the Judiciary.

BUREAU OF CUSTOMS AND BUREAU OF PROHIBITION

Mr. SMOOT. From the Committee on Finance I report back favorably with amendments the bill (H. R. 10729) to create a bureau of customs and a bureau of prohibition in the Department of the Treasury, and I submit a report (No. 1198) thereon. I ask that the bill may go to the calendar.

Mr. KING. That is the bill dealing with the Prohibition Unit?

Mr. SMOOT. It is the reorganization bill.

Mr. KING. The bill which was before the Finance Committee yesterday?

Mr. SMOOT. Yes.

Mr. KING. I reserve the right to file a minority report in regard to the bill just presented.

The VICE PRESIDENT. The bill will go to the calendar, and the junior Senator from Utah is given permission to file a minority report.

OHIO RIVER BRIDGE

Mr. SHEPPARD. From the Committee on Commerce I report back favorably without amendment the bill (H. R. 13504) to amend the act entitled "An act granting the consent of Congress to the Gallia County Ohio River Bridge Co. and its successors and assigns to construct a bridge across the Ohio River at or near Gallipolis, Ohio," approved May 13, 1926. It is a bill correcting a clerical error in a former act authorizing a bridge, and I ask for its immediate consideration.

There being no objection, the bill was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

PAY OF EMPLOYEES

Mr. WARREN. From the Committee on Appropriations I report back favorably without amendment the joint resolution (H. J. Res. 305) authorizing the payment of salaries of the officers and employees of Congress for December, 1926, on the 20th day of that month, and I ask for its immediate consideration.

There being no objection, the joint resolution was considered as in Committee of the Whole, and it was read as follows:

Resolved, etc., That the Secretary of the Senate and the Clerk of the House of Representatives are authorized and directed to pay to the officers and employees of the Senate and House of Representatives, including the Capitol police, the Office of Legislative Counsel, and employees paid on vouchers under authority of resolutions, their respective salaries for the month of December, 1926, on the 20th day of that month.

The joint resolution was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

COMMANDER RICHARD E. BYRD

Mr. SWANSON. Mr. President, from the Committee on Naval Affairs I report back favorably and unanimously the bill (S. 4741) providing for the promotion of Lieut. Commander Richard E. Byrd, United States Navy, retired, and awarding to him the congressional medal of honor, for which I ask immediate consideration. The bill provides for the promotion of Lieut. Commander Richard E. Byrd, who so bravely and efficiently used airplanes to reach the North Pole, from the position of lieutenant commander to that of commander with the congressional medal of honor. It is similar to what was done in the case of Admiral Peary, who was promoted one grade, from captain to admiral. I ask unanimous consent for its immediate consideration.

There being no objection, the bill was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the President of the United States be, and he is hereby, authorized to advance Lieut. Commander Richard E. Byrd, United States Navy, retired, to the grade of commander on the retired list of the Navy, to date from May 9, 1926, with the highest retired pay of that grade under existing law.

SEC. 2. The President of the United States is hereby authorized to present, in the name of Congress, a medal of honor to the said Richard E. Byrd for distinguishing himself conspicuously by courage and intrepidity at the risk of his life in demonstrating that it is possible for aircraft to travel in continuous flight from a now inhabited portion of the earth over the North Pole and return.

Mr. SWANSON. I wish to say that the Navy Department approved the measure and recommended its passage at the last session of Congress.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

MACHINIST FLOYD BENNETT

Mr. SWANSON. From the Committee on Naval Affairs I report back favorably a similar bill, the bill (S. 4742) providing for the promotion of Floyd Bennett, aviation pilot, United States Navy, and awarding him a congressional medal of honor. It promotes him one grade, to the grade of machinist, and also authorizes the congressional medal of honor to be presented to him.

There being no objection, the bill was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the Secretary of the Navy is hereby authorized to appoint Floyd Bennett, aviation pilot, United States Navy, to the grade of machinist in the Navy from May 9, 1926.

SEC. 2. The President of the United States is hereby authorized to present, in the name of Congress, a medal of honor to the said Floyd Bennett for his gallant service to the Nation as a member of the Byrd Arctic expedition, which medal, when presented, shall entitle him to the benefits provided by the act approved February 4, 1919.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CAMERON:

A bill (S. 4869) authorizing the President to order Richard B. Barnitz before a retiring board for a hearing of his case, etc.; to the Committee on Military Affairs.

By Mr. SMITH:

A bill (S. 4870) to refund excess taxes to the Charleston Dry Dock Machine Co., the Valk & Murdock Co., and shareholders of the last-mentioned corporation; to the Committee on Claims.

By Mr. McNARY:

A bill (S. 4871) granting a pension to Willard S. Linville; to the Committee on Pensions.

A bill (S. 4872) for the relief of J. W. Vandervelden; to the Committee on Claims.

By Mr. DENEEN:

A bill (S. 4873) granting an increase of pension to Mary E. Grove; to the Committee on Pensions.

A bill (S. 4874) to legalize a bridge across the Fox River in Algonquin Township, McHenry County, Ill., and for other purposes; to the Committee on Commerce.

By Mr. CAPPER:

A bill (S. 4875) to amend an act entitled "An act to provide for the examination and registration of architects and to regulate the practice of architecture in the District of Columbia," approved December 13, 1924, and for other purposes; to the Committee on the District of Columbia.

A bill (S. 4877) granting a pension to Ella G. Humes (with accompanying papers); to the Committee on Pensions.

By Mr. MAYFIELD:

A bill (S. 4878) for the relief of Maurice S. Hill; to the Committee on Military Affairs.

By Mr. WATSON:

A bill (S. 4879) granting a pension to Eldoris Y. Green; to the Committee on Pensions.

By Mr. WILLIS:

A bill (S. 4880) granting an increase of pension to Lily J. Campbell (with accompanying papers); and

A bill (S. 4881) granting an increase of pension to Malinda A. Thompson (with accompanying papers); to the Committee on Pensions.

By Mr. EDGE:

A bill (S. 4882) relative to the pay of certain retired warrant officers and enlisted men and warrant officers and enlisted men of the reserve forces of the Army, Navy, Marine Corps, and the Coast Guard, fixed under the terms of the Panama Canal act, as amended; to the Committee on InterOceanic Canals.

By Mr. ROBINSON of Indiana:

A bill (S. 4883) for the relief of Charles W. Townsend (with accompanying papers); and

A bill (S. 4884) for the relief of Thomas B. Wikoff (with accompanying papers); to the Committee on Military Affairs.

A bill (S. 4885) granting a pension to Mary Page (with accompanying papers);

A bill (S. 4886) granting a pension to Thomas Lloyd (with accompanying papers); and

A bill (S. 4887) granting an increase of pension to Lydia Louisa L. Darmer (with accompanying papers); to the Committee on Pensions.

By Mr. WADSWORTH:

A bill (S. 4888) for the relief of William Dietle; to the Committee on Naval Affairs.

A bill (S. 4889) for the appointment of certain additional judges; to the Committee on the Judiciary.

A bill (S. 4890) for the relief of Lieut. Walter E. Morton, United States Navy; to the Committee on Claims.

By Mr. RANSELL:

A bill (S. 4891) granting the consent of Congress to the police jury of Rapides Parish, La., to construct a bridge across Red River at 6r near Boyce, La.; to the Committee on Commerce.

By Mr. FESS:

A bill (S. 4892) to promote the unification of carriers engaged in interstate commerce, and for other purposes; to the Committee on Interstate Commerce.

AMENDMENTS TO THE RIVERS AND HARBORS BILL

Mr. SWANSON. I submit an amendment to the rivers and harbors bill, and ask the reference of the amendment to the committee in charge of the rivers and harbors bill, so that it may be considered at the meeting of the Commerce Committee to-morrow morning.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. FLETCHER. Mr. President, the rivers and harbors bill was reported by the Commerce Committee at the last session. I have offered a number of amendments to it which I have asked to lie on the table, understanding that the committee had already reported the bill and acted upon it. It seems that the committee is to meet again and consider amendments. I ask, therefore, to have the amendments which I have offered to the bill referred to the committee.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. HOWELL submitted an amendment intended to be proposed by him to the bill (H. R. 11616) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, which was ordered to lie on the table and to be printed.

MEMORIAL TO CHRISTOPHER COLUMBUS

Mr. WILLIS submitted the following concurrent resolution (S. Con. Res. 26), which was referred to the Committee on Foreign Relations:

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the United States approves the international project advocated at the Pan-American Conference, held at Santiago de Chile April, 1924, to erect a memorial lighthouse at Santo Domingo, Dominican Republic, to Christopher Columbus, and that the several States participating in that conference be notified through the usual diplomatic channels of the desire of the people of the United States to participate in this movement to honor the memory of the great navigator and discoverer.

FUNERAL EXPENSES OF THE LATE SENATOR M'KINLEY

Mr. DENEEN submitted the following resolution (S. Res. 300), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate be, and he hereby is, authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the committee appointed by the Vice President in arranging for and attending the funeral of the Hon. WILLIAM B. MCKINLEY, late a Senator from the State of Illinois, upon vouchers to be approved by the Committee to Audit and Control the Contingent Expenses of the Senate.

CHIEF ENGINEER'S REPORT ON UPPER MISSOURI RIVER

Mr. JONES of Washington. Mr. President, in 1922 Congress provided for a survey of the upper Missouri River from Kansas City to Sioux City. The report of that survey is on the

way to the Congress. I have, however, a copy of the recommendations of the Chief of Engineers submitted to the Secretary of War, and in order that the report may be in the hands of Senators I ask that it may be printed in the RECORD, so that it will be available in the morning. I desire to say also that I have called a meeting of the Committee on Commerce for to-morrow morning to consider this particular proposition, as well as some others.

Mr. KING. Mr. President, may I ask the Senator whether the report relates to the item in the appropriation bill which has been newly inserted by the Senate committee, dealing with the Missouri River above Kansas City?

Mr. JONES of Washington. It relates to that which is covered by that item in the bill. It is a report of the survey of the Missouri River from Kansas City to Sioux City. I want to have it printed in the RECORD, and I ask that the fourteenth paragraph may be read, because it gives the conclusions of the Chief of Engineers.

Mr. KING. Does it include the proposition which I understand is suggested by some of an expenditure or an authorization of an expenditure of \$50,000,000 for a small section of the river?

Mr. JONES of Washington. The report covers that proposition, and paragraph 14 gives the conclusions of the Chief of Engineers. I thought I would have that paragraph read at this time for the information of Senators.

The VICE PRESIDENT. Without objection, the clerk will read as requested.

The Chief Clerk read as follows:

14. My present views and recommendations may be briefly summarized as follows: The economic situation will become much clearer and more definite in a few years, especially when the section below Kansas City shall have been improved sufficiently to permit economical navigation and shall have had an opportunity to demonstrate that commerce on that section will develop to an amount adequate to justify its large cost of improvement. The Government will, in my opinion, be embarking on a doubtful business venture if it adopts a comprehensive project now for the river from Kansas City to Omaha. Under these circumstances I do not feel justified in recommending the adoption at the present time of the project from the standpoint of navigation, although my belief is that it can, in the course of time, be shown to be an investment of public funds which will be sound beyond a reasonable doubt. On the other hand, it appears that the protection of banks and the stabilization of channels will be of great value to the owners of riparian property and that the work thus done will later reduce correspondingly the cost to the United States of a comprehensive project for navigation, if such a project be adopted. It would appear from available information that the benefits that will accrue to riparian owners will be such as to warrant local cooperation to the extent of over \$4,000,000 on the section of the river between Kansas City and Omaha. If the Federal Government matches this amount and supervises this bank-protection work, so as to insure that it is sufficient in extent and character to warrant the belief that it will be of a fairly permanent nature, such work would be beneficial to a comprehensive navigation project, if later adopted. This might require \$6,000,000 of Federal funds. I feel, therefore, that the probable benefits to the United States from the standpoint of navigation may be sufficient to warrant authorizing the expenditure at this time of not to exceed \$6,000,000 for this purpose. If Congress feels that the amount of local cooperation that might be secured by authorizing this expenditure now would be of sufficient benefit from the viewpoint of eventual saving on a possible future navigation project or from the viewpoint of land preservation, any authorization should, in my opinion, be subject to the following conditions: That the works constructed shall conform to a plan for the general improvement of the river in the interests of navigation; that each section shall be of such character and extent as to warrant the belief that it will be of a permanent nature; and that no expenditure shall be made save on the basis that local interest shall contribute at least 40 per cent to the cost of any works installed, such maintenance work as may be necessary to be undertaken by the United States.

The VICE PRESIDENT. There being no objection, the entire report will be printed in the RECORD as requested by the Senator from Washington.

The report is as follows:

[7245 (Missouri River-Kansas City-Sioux City)—14, December 16, 1926]

Subject: Preliminary examination of Missouri River, between Kansas City, Kans., and Pierre, S. Dak.

To: The Secretary of War:

I submit for transmission to Congress my report, with accompanying papers, on preliminary examination of Missouri River between Kansas City, Kans., from the upper end of Quindaro Bend and Pierre, S. Dak., authorized by the river and harbor act approved September 22, 1922.

2. The Missouri River is under improvement by the United States for the provision of a channel between Kansas City and the mouth, 398 miles, with a minimum low-water depth of 6 feet and a minimum width of 200 feet. Between Kansas City and Sioux City, 412 miles, there is a Federal project which provides for snagging and certain bank revetment, and between Sioux City and Fort Benton, 1,475 miles, there is a project for snagging and isolated bank protection. The project below Kansas City is being vigorously prosecuted. Above Kansas City there has been little improvement for navigation, but the works have resulted in stabilizing the banks and reducing the erosion of riparian lands in certain localities. A more comprehensive improvement for navigation is now desired between Kansas City and Pierre.

3. The nature of the valley is such that the river does not follow a stable channel. Its improvement for navigation necessitates bank protection and direction and concentration of the energy of the water by the construction of dikes.

4. The district engineer estimates that the necessary work for so stabilizing the river as to provide a dependable navigable channel will cost an average of \$125,000 per mile, except at sections where there is bluff contact or where bends are already held by effective revetment. At sections of the latter class the work is estimated to cost \$25,000 per mile. For the several sections of river between Kansas City and Sioux City, the estimated cost is as follows:

Kansas City to St. Joseph, Mo., 81 miles.....	\$8,000,000
St. Joseph, Mo., to Omaha, Nebr., 181 miles.....	20,000,000
Omaha, Nebr., to Sioux City, Iowa, 150 miles.....	18,000,000

Total, 412 miles.....	46,000,000
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The estimated cost of maintenance of this 412-mile stretch of river is \$1,225,000 annually after the improvement has been completed. During the first few years the yearly maintenance may be as much as 6 per cent of the value of the work in place.

5. The district engineer estimates that improvement of the river with the resulting protection to riparian property would increase land values to the extent of \$6,400,000 along the river between Kansas City and Yankton. In addition, some 40,000 acres, valued at \$1,200,000 would be reclaimed. He invites attention to certain other benefits, such as reduction in the cost of maintenance of railroad lines and highways; reduction in the amount of eroded material carried downstream; rendering secure the levees constructed by local interests; reduction or elimination of seasonal congestion on the railroads; and increase in the unit value of the total production of any commodity on account of lower transportation costs. In connection with the improvement of the lower Missouri, many local interests have contributed part of the cost where the work serves to protect their property. More than \$2,000,000 has thus been contributed, mostly in the past three years. The district engineer recommends the extension of this policy to the upper river. He estimates that a total of \$8,650,000 in cooperative funds might be expected for the Kansas City to Yankton section.

6. A traffic analysis was made by the district engineer, assisted by local interests, from which he estimates the possible movement of 2,724,500 tons between Kansas City and Sioux City per year, at a saving of \$4,978,000, and 2,041,000 tons between Kansas City and Omaha, at a saving of \$3,702,000. The savings are based upon a comparison of rail and water rates, the latter being assumed to be 80 per cent of the all-rail rate between the same points, or upon actual cost of barge transportation, as deemed most suitable for each commodity. An increase in tonnage by the time the improvement is completed he considers probable due to the steady growth of the territory affected.

7. The district engineer concludes that the river from Yankton to Sioux City is not worthy of improvement, but recommends that the section between Sioux City and Kansas City be systematically improved, with a view to securing a channel 6 feet deep and not less than 200 feet wide.

8. The division engineer concurs in general with the district engineer, but recommends that the present improvement be limited to the section between Kansas City and Omaha. He states that the project might include the Omaha-Sioux City section, contingent upon the provision that the portion between Kansas City and Omaha be completed first.

9. These reports have been referred, as required by law, to the Board of Engineers for Rivers and Harbors, and attention is invited to its report herewith. On the basis of an independent economic study made by the personnel of the board, it concludes that the improvement between Kansas City and Omaha is justified.

10. After consideration of the above-mentioned reports, my present views on the principal features are as outlined below. The Missouri Valley, one of our most important food-producing sections, is evidently handicapped by high transportation costs. While this condition has existed for many years, it is understood to have been aggravated relatively to the coastal areas by the construction of the Panama Canal. Basically, therefore, it may be said that this important section of the country will profit by any transportation facilities which can be made available on the river.

11. On the other hand, Federal projects exist at present for channels from 6 to 9 feet deep on the Mississippi River up to St. Paul, on the

Ohio River and its major tributaries, on the Illinois River, on an intra-coastal waterway along the Gulf coast, on the Missouri River up to Kansas City, and on other important tributaries of the Mississippi River system. Work on these is being pushed to the limit permitted by available funds. As a result, project depths obtain over an extensive river mileage on the system of streams referred to, and within a few years, given adequate appropriations, this great system of trunk-line waterways will be completed. The effect on the entire valley is already profound and beneficial and will soon be much more so.

12. The improvement of the Mississippi River to St. Louis has made that point available for transshipment from rail to water, and there is a large and increasing volume of freight utilizing the Mississippi as a result. The transportation costs to the people of the Missouri Valley have thereby already been much reduced, with further reductions likely to follow. Congress has also taken another step toward relieving the traffic difficulties not only of Kansas City but of the upper Missouri Valley by providing a 6-foot project in the Missouri to Kansas City. The result of any improvement above Kansas City will be the locating of the terminal transshipment point still farther up the river. The Government will be taking this risk before it has been demonstrated that the first step of the systematic improvement of the Missouri, namely, to Kansas City, will pay, and in the face of the uncertainty as to just what can be accomplished in this territory on a 6-foot channel. No channel in the United States of 6-foot depth and fairly comparable to the lower Missouri carries anything closely approaching the amount of density of traffic which the lower Missouri must carry if the savings based thereon are to balance the cost. The technique of large-scale light-draft navigation must be developed, extensive investments made in floating plant and terminals, and satisfactory transfer arrangements worked out with the railroads before the traffic can grow to the point hoped for. The sooner this navigation is undertaken the sooner the benefits can be more definitely evaluated.

13. The studies of both the engineering and the economic features now seem to make it probable, but not certain, that the improvement of the Missouri River between Kansas City and Omaha will be justified. In making the economic studies, however, the percentage of commerce that was estimated would actually move by water was much larger, as compared with the total tonnage available, than has proven to be the case on other rivers comparable to the Missouri.

14. My present views and recommendations may be briefly summarized as follows: The economic situation will become much clearer and more definite in a few years, especially when the section below Kansas City shall have been improved sufficiently to permit economical navigation and shall have had an opportunity to demonstrate that commerce on that section will develop to an amount adequate to justify its large cost of improvement. The Government will, in my opinion, be embarking on a doubtful business venture if it adopts a comprehensive project now for the river from Kansas City to Omaha. Under these circumstances I do not feel justified in recommending the adoption at the present time of the project from the standpoint of navigation, although my belief is that it can, in the course of time, be shown to be an investment of public funds which will be sound beyond a reasonable doubt. On the other hand, it appears that the protection of banks and the stabilization of channels will be of great value to the owners of riparian property and that the work thus done will later reduce correspondingly the cost to the United States of a comprehensive project for navigation, if such a project be adopted. It would appear from available information that the benefits that will accrue to riparian owners will be such as to warrant local cooperation to the extent of over \$4,000,000 on the section of the river between Kansas City and Omaha. If the Federal Government matches this amount and supervises this bank-protection work, so as to insure that it is sufficient in extent and character to warrant the belief that it will be of a fairly permanent nature, such work would be beneficial to a comprehensive navigation project, if later adopted. This might require \$6,000,000 of Federal funds. I feel, therefore, that the probable benefits to the United States from the standpoint of navigation may be sufficient to warrant authorizing the expenditure at this time of not to exceed \$6,000,000 for this purpose. If Congress feels that the amount of local cooperation that might be secured by authorizing this expenditure now would be of sufficient benefit from the viewpoint of eventual saving on a possible future navigation project or from the viewpoint of land preservation, any authorization should, in my opinion, be subject to the following conditions: That the works constructed shall conform to a plan for the general improvement of the river in the interests of navigation; that each section shall be of such character and extent as to warrant the belief that it will be of a permanent nature; and that no expenditure shall be made save on the basis that local interest shall contribute at least 40 per cent to the cost of any works installed, such maintenance work as may be necessary to be undertaken by the United States.

EDGAR JADWIN,
Major General, Chief of Engineers.

COMMEMORATION OF FIRST AIRPLANE FLIGHT

Mr. BINGHAM. Mr. President, it seems to me very appropriate that to-day the Senate should have passed by unani-

mous consent two bills giving the medal of honor to the two heroes in our Navy who made that wonderful flight to the North Pole. This, Mr. President, is an anniversary day in American aviation. Twenty-three years ago to-day down in North Carolina the people who lived in the Kill Devil district were invited to go to Kill Devil Hill to see whether man had at last been able to achieve the conquest of the air.

For thousands of years ambitious men had watched the birds use the air as a medium of transportation and had tried various ways of imitating them. Their efforts had only aroused the laughter of their fellows. Poets had described the woes of men who attempted to acquire wings. Tens of thousands had laughed at Darius Green and His Flying Machine. Wiseacres the world over told ambitious young men that man was never intended to leave the ground and assume wings until he was ready to leave the ground permanently and take his place in heaven. Poets were willing to accord to angels and even to devils swift powers of flight, but not one man in a million thought that man could fly.

So on that cold, windy day, the 17th of December, 1903, 23 years ago, when Wilbur and Orville Wright took their contraption from its tent shelter, there were only five spectators—Mr. A. D. Etheridge, Mr. W. S. Dough, Mr. W. C. Brinkley, Mr. John Ward, and Mr. John T. Daniels. There had been so many unsuccessful attempts that between skepticism and the superior attractions of sheltered houses only these five risked a waste of their time.

And yet, Mr. President, these five were spectators of the greatest victory which man had made over nature since those heroic days when Columbus discovered America and Magellan circumnavigated the globe. As a matter of fact, both Columbus and Magellan were using instruments in their conquest which had been developed slowly over a period of hundreds of years since man first ventured to leave dry land and overcome the uncertainties of navigation. As all the world knows, Orville Wright took his place in this strange, new device which was the result of thousands of experiments in gliding and in the principles of aeronautics which had been made by him and his brother. And then for 12 seconds the first flight in the history of the world in which a machine carrying a man had raised itself into the air by its own power in free flight, sailed forward on a level course without reduction of speed, and landed without being wrecked.

Four flights in all were made. The fourth and last of the day was the world's record for flight; it lasted 59 seconds.

The distance traveled was 852 feet, or a little more than one-sixth of a mile. That was only 23 years ago to-day.

And, then, as though in anger that it had at last been conquered by pygmy man, a gust of wind, or rather, in the words of the classics, let us say a breath from the lips of one of the sons of Borcas caught up the machine, while the excited spectators were discussing what they had seen, overturned it, and rendered it useless for further experiment at that time. But the triumph of the wind was short lived, for the next year a new machine, stronger and heavier, was constructed by the Wright brothers, and from that time to this progress has been steady.

The past year in American aviation has been especially notable for a steady increase in the amount of flying, both military and commercial, and for a growing public understanding of the problems and potentialities of aircraft and a growing public willingness to accept them as normal instruments of conveyance of persons and property, for purposes of commerce and those of war.

In the airplanes themselves there has been continued improvement, especially along the line of heightened efficiency and lowered weight of power plant and of increased use of metal in wing structures. At one time airplane engines were the most expensive engines in the world, but to-day we are making airplane engines of the highest capacity and quality for only \$20 per horsepower, when many of the engines of our best automobiles cost at least \$25 or \$30 per horsepower. There has been produced in the United States and put into regular service in naval airplanes an air-cooled engine developing 400 horsepower on a weight of well under 2 pounds per horsepower. New observation machines have come into regular use in the services, and the Navy has begun use of a new type of amphibian airplane able to land and take off at will on land, sea, or the deck of a carrier. Such is the progress that has been made during the last 23 years.

There have been no special attempts to break records or to prepare machines especially for record breaking in this country, except for some high-altitude experimentation, but increase in efficiency or reduction in weight of structure or power plant carry record-breaking potentialities. Specially built machines

in France have made a number of cross-country flights of sensational length, the latest being but little short of 3,500 miles.

Compare that, Mr. President, with what happened 23 years ago to-day, when the record flight was 852 feet. The world's record for distance flown without stop over the sea made by the late Commander John Rodgers has continued unbroken.

The tactics of the use of the military airplane have continued their steady development under intensive study in the Army and Navy. The amount of flying done by the services tends upward; the Navy, for example, having flown 83,000 hours during the past year, a figure more than 30 per cent in excess of that for any previous year since the World War, and with a record of freedom from accident considerably better than in any previous period, there having been only one fatality for every 4,200 hours in the air. This flying has included a considerable amount which served both as training for service personnel and to accomplish nonmilitary ends as well. Notable in that connection has been the work of the Alaskan Aerial Survey, a naval unit which mapped 11,000 square miles of territory during the summer of 1926, during a total of some 300 hours of flight. Much of the ground flown over and photographed was not only new to the airplane but practically unexplored, and would have continued unexplored for many years to come had it not been possible to make the exploration from the air. Geographic knowledge was greatly increased as a result of the summer's work. In this one summer, the mapping covered 75 per cent of the ground that had been expected to take three years to complete.

The year has been especially notable in commercial aviation for the inauguration of the work of the Department of Commerce in laying out and lighting and marking airways, and in the regulation of aircraft for the safety of their users.

To-day, Mr. President, by happy coincidence, the new Assistant Secretary of Commerce for Aeronautics has published through the new aeronautic branch of the Department of Commerce the first issue of Domestic Air News dated Friday, December 17. I ask unanimous consent that the publication may be printed in the RECORD, as it is an interesting document, recording the progress which has been made in America during the past 23 years.

The VICE PRESIDENT. Without objection, it is so ordered. The matter referred to is as follows:

DEPARTMENT OF COMMERCE,
AERONAUTICS BRANCH (INFORMATION DIVISION),
Washington, Friday, December 17, 1926.

DOMESTIC AIR NEWS

FIRST LIGHTED CIVIL AIRWAYS

No. 3. Chicago-Dallas, 1,000 miles: The first Federal Government airway light beacon, under the air commerce act of 1926, No. 71, was lit on December 7, 1926. It is located 15 miles northeast of Moline, Ill., on the Chicago-Dallas route.

By Christmas 10 standard revolving lights will be lit for 136 miles at the north end of this route. Next follow these between Dallas and Wichita. Eleven intermediate fields will have been leased and equipped.

By the end of January the program of 501 miles of lighting will have been completed. All these lights are being installed for the Government by the Limestone Products Co.

No. 1. Boston-New York (Hadley Field, New Brunswick, N. J.), 220 miles: The lighting contractor (Limestone Products Co.) promises the complete lighting of this airway, with lighted emergency fields, by the end of 1926. The first light, at Belleville, N. J., will be installed this week.

No. 2. St. Louis-Chicago, 277 miles: Early in the year this route will have its complete equipment of 24 revolving beacons, with nine lighted intermediate fields. The work is being done by the Robertson Aircraft Corporation, the air-mail contractor.

No. 5. Pasco-Elko, 424 miles: Lights are in progress of installation for 110 miles at the northern end of this route by the lighting contractor, Mitchell & Peterson, of Cheyenne. The contract calls for one revolving beacon and 20 acetylene blinkers at approximately 5-mile intervals between Coyote Hill and Pasco. No fields are being equipped on this route at this time.

No. 4. Salt Lake City-Los Angeles, 589 miles: Within a few days contracts will be advertised for the lighting of this route for 278 miles between Las Vegas and Los Angeles.

OTHER AIRWAYS

Surveys are completed or are in progress on the following:

No. 9. Chicago-Twin Cities, 384 miles, 120 miles of lights and lighted fields.

No. 12. Cheyenne-Pueblo, 200 miles, 160 miles of lights and lighted fields.

No. 16. Detroit-Grand Rapids, 140 miles, 140 miles of lights and lighted fields.

LIGHTING PROGRAM, 1927

Following is the lighting program under the appropriation for the fiscal year 1927:

Route No.	Route	Route, miles	Miles lighting	Number of lights	Number of lighted intermediate fields
1	New York-Boston	220	220	19	4
2	St. Louis-Chicago	277	277	24	9
3	Dallas-Chicago	1,000	501	172	13
4	Salt Lake City-Los Angeles	589	278	20	7
5	Pasco-Elko	424	110	21	0
9	Chicago-Twin Cities	384	120	(¹)	-----
12	Cheyenne-Pueblo	200	160	(¹)	-----
		3,094	1,696	-----	-----

¹ Includes 5 revolving beacons and 30 gas blinkers installed by the air-mail contractor.

² Includes 1 revolving beacon and 20 gas blinkers.

³ Under survey.

The budget proposed for the fiscal year 1928 will probably admit of an additional 3,200 miles of revolving beacons and lighted intermediate fields. Here is the balance sheet:

	Miles
Present air-mail system	8,656
Now lighted by Post Office	2,041
Lighted by Commerce, 1927	1,666
Lighted by Commerce, 1927 deficiency	830
	2,496
Lighted by Commerce, 1928	3,200
	7,737

Unlighted balance of present system 919

Of course, it is probable that the total mileage of airways by 1928 will have been greatly increased over the present figure.

The present lighting system of Commerce is based, in the main, on 24-inch revolving electric beacons of 2,000,000 candle-power at average approximate intervals of 10 miles, with intermediate fields at 25 to 30 miles intervals. Each of these fields has either one of the revolving beacons located at the site or it is close to one such directly on the airway. In addition, they have approximately 20 white boundary lights, evenly arranged about the field, a green light indicating the best approach and red lights at obstructions in or about the field.

The airports in the cities where stops are made are within the province of the municipality. Many of these are already improving their ports and installing lighting.

NEW EMERGENCY FIELDS

Twenty-five new intermediate landing fields have been added to the list by the Department of Commerce in its survey for lighting. These new fields are boundary lighted with white weatherproof electric lamps. At one end of the best approach is a green light. Red lights mark all obstructions. Many fields have revolving beacons in the northeast corner while the others are located as near the airway revolving beacon as is possible. Of course these field lights burn all night as to the balance of the airway lights.

At many fields caretakers are in charge. Telephones are available at the homes of the caretakers as a rule.

Following is a list of the new fields, by route:

No.	Field	Light No.
No. 1. Boston-New York:		
	Teterboro, Hasbrouck Heights, N. J.	3
	Bethany, Conn.	9
	Dudley, Mass.	15
	Framingham, Mass.	18
No. 2. St. Louis-Chicago:		
	Godfrey, Ill.	3
	Carlinville, Ill.	5
	Lowden, Ill.	7
	Mason City, Ill.	10
	Pekin, Ill.	12
	La Rose, Ill.	15
	Tanica, Ill.	17
	Morris, Ill.	20
	Plainfield, Ill.	22
No. 3. Dallas-Chicago:		
	Arlington, Tex.	1
	Slidell, Tex.	5
	Muenster, Tex.	8
	Punell, Okla.	13
	Norman, Okla.	16
	Edmond, Okla.	17
	Perry, Okla.	21
	Chillico, Okla.	24
	Tex.	26
	Unionville, Mo.	57
	Bloomfield, Iowa	60
	Fairfield, Iowa	63
	Muscataine, Iowa	68
No. 4. Los Angeles-Salt Lake City:		
	Verdemon, Calif.	3
	Victorville, Calif.	7
	Lenwood, Calif.	9
	Harvard, Calif.	11
	Baker, Calif.	14
	Mobawk Hill, Nev.	16
	Jean, Nev.	18

AIRWAY MAPS

The Coast and Geodetic Survey, Department of Commerce, has begun its work on airway strip maps similar to those heretofore published by the cooperative effort of the Air Corps and the Engineer Corps.

The first of the new strip maps will cover the following civil airways. They will be on sale at the department: Chicago-Dallas, Salt Lake City-Los Angeles, Pasco-Elko, Pasco-Salt Lake City, Chicago-Twin Cities, Atlanta-Miami, Cheyenne-Pueblo, Cleveland-Louisville (section between Cleveland and Columbus), Detroit-Grand Rapids.

ARMY STRIP MAPS BY ROUTES

The Air Corps and Engineers are completing their series of 51 strip maps, of which 40 are already on sale. This series covers 12 present and proposed airways, as follows:

EXISTING ROUTES

Transcontinental, 35, 34, 33, 14, 13, 12, 11, 10, 9, 21, 20, 19.
Boston-New York, 6.
Chicago-St. Louis, 22.
Detroit-Cleveland, 47, 21.
Detroit-Chicago, 47, 21.
Seattle-Los Angeles, 43, 42, 41, 40.
Cleveland-Pittsburgh, 45.
Cleveland-Louisville, 1, 36 (covers from Columbus to Louisville only).

PROPOSED ROUTES

Louisville-Atlanta, 48, 49, 50, 15 (covers all but Atlanta end).
Los Angeles-New Orleans, 39, 32, 38, 31, 30, 28, 29, 27, 7.
New Orleans-Atlanta, 8, 15.
Dallas-San Antonio, 26.
New Orleans-Birmingham, 8, 50 (via Montgomery. No map for airline route).

THE RADIO BEACON

The Bureau of Standards is making a model installation of three types of radio aids at College Park, a suburb of Washington—radio telephony from ground to aircraft, the directive radio beacon, and a system of marker beacons. Several types of receiving sets are being studied in order to prepare specifications for a sample set for use on the airplane to receive both radio-telephone messages and the beacon signal.

The beacon towers have been erected and generators and equipment are being assembled. Improvement in the beacon system has been carried out on the laboratory scale; one of the improvements is expected to reduce the use of these beacon signals to the mere watching of a light on the airplane-instrument board.

The marker beacons are small radio transmitters to be placed every 25 miles to act as milestones to tell the aviator how far he has flown.

Specifications are being prepared for radio telephone and beacon installations at two points on certain air routes to supplement the experimental work being done at College Park.

CANADIAN AIR EXPORTATION

The first official inspection of American aircraft by the new aeronautics branch of the Department of Commerce occurred on December 7, just 24 hours after the registration division had received a telegram requesting examination and rating of a Stinson-Detroiter airplane to be delivered to Canadian Air Express at Toronto for use in the Red Lake gold country in northern Ontario and Manitoba.

Supervising Inspector Lockwood, of the aeronautics branch, gave the plane a complete test at Detroit, using the Canadian inspection schedule, as the plane was not to be flown in this country. On completion of the tests, word was dispatched to Washington, where a certificate of airworthiness was immediately made out and forwarded to Detroit, so that there would be no delay in delivery of the plane to the Canadian organization.

Dr. Louis Hopewell Bauer, formerly major, Medical Corps, United States Air Service, was appointed medical director of the aeronautics branch, Department of Commerce, on November 16, 1926. Doctor Bauer joins the staff of Assistant Secretary MacCracken after 13 years' service in the Army, of which seven and one-half years were in the Air Service. Doctor Bauer organized the School of Air Medicine at Mitchell Field and was commandant of that organization for six and one-half years. In addition to being the author of many articles in regard to flight surgeons' duties, he is well known as the writer of Air Medicine, an outstanding work of this era.

On December 6, 1926, Mr. R. G. Lockwood, recently civilian test pilot at McCook Field, was appointed supervising inspector in the registration division of aeronautics branch, Department of Commerce. Mr. Lockwood enlisted in the Royal Flying Corps in 1915, serving in that organization and with the Royal Air Force until 1919, when he joined the Service Aviation Co. In 1920 he became a test pilot at McCook Field, where he served until his present appointment. During this period he added 2,486 hours and 30 minutes' official flying time to his record. He has tested all types of aircraft used in the United States Army, in addition to which he was organizer of the liaison section and chief of the planning bureau of the flying section at McCook Field.

Mr. BINGHAM. Mr. President, 1926 has been a red-letter year also for the opening of contract air-mail service on some 13 routes, carrying the benefits of aerial mail almost to the four corners of the country, from Boston to San Diego and from Seattle to Miami. The total mileage flown daily on regular schedule by Government and commercial lines combined has been more than doubled during the year, and considerable further extensions are in early prospect. On the Government owned and operated air-mail lines, flying more than 2,000,000 miles during the past year, there has been the loss of only a single life. A number of lines which started only for the handling of mails have met with such success and have run month after month with such freedom from mishap of any sort that they have begun the carriage of passengers as well as of mail, and next spring will see great further developments in that direction, according to all present indications.

In Europe, aside from the French flights already referred to, the most remarkable of cross-country forays has been the flight of Sir Alan Cobham from London to Australia and return. It is interesting to note, Mr. President, in connection with this anniversary of the day when the Wright brothers succeeded in staying up for only 59 seconds, that the same engine which took Alan Cobham from London to South Africa and return, across Africa, was used in the flight from London to Australia and return, a performance which a few years ago or even a few months ago, one might say, would have been considered impossible. The same engine was used for both extraordinary record-breaking journeys.

Aside from the flight in Europe of Sir Alan Cobham, we have that of a German commercial airplane carrying several passengers from Berlin to Peking, paving the way for an air route planned for regular operation carrying passengers and mail in the near future. The British have continued at work on two large airships, now reported to be well advanced toward completion, to be used in service between Great Britain and the eastern Dominions, while the release of restrictions on the activities of German aviation has brought the Zeppelin Co. into the field with plans for building ships likely to be employed for service to South America. The extension of the regular commercial air lines on the European Continent has continued as in previous years, and in many countries at least they are now accepted as an ordinary means of travel for business men. The efficiency attainable by commercial lines is evidenced both by the experiences of the past summer in the United States on the contract air-mail routes and the Government-operated mail service and also by the experience of an American, the editor of the magazine called Aviation, who flew 21,000 miles in Europe, Asia, and Africa, practically all of it during the past year, as a regular passenger on regularly operated air routes, without forced landing or trouble of any sort. This is not indicative of any special merit in European routes, as neither machines nor personnel are, in any respect, superior to those available in America, but is evidence of the point that commercial aviation has reached and of the sort of service that it can be expected to render anywhere in the world that it is put to work with sufficient vigor.

Recently the Department of Commerce has reported the creation of an air line between France and South America by a French company, which will go by way of Dakar, Africa, from Dakar to the Cape Verde Islands by seaplane, from the Cape Verde Islands to Noronha by fast boat, and from Noronha down to Buenos Aires by seaplane and land plane.

The Department of Commerce has also reported the extension of airplane service between Munich and Milan to fly over the highest part of the Swiss Alps. It has reported plans for an air mail service in Canada, which were discussed at the imperial conference recently. It has reported the achievement of two French airmen who flew from Paris, France, to Calcutta, India, in 32 hours, at an average speed of 100 miles an hour. It has reported the establishment of an air line in Africa between Khartoum and Kisumu, Uganda, Africa. It has reported an extraordinary traffic in airplane transportation in Poland, and that Germany for the first time has proposed to continue her aviation schedules through the winter. Heretofore Germany has kept her lines open during the summer only, but during the coming winter it is proposed to continue about 45 per cent of her summer network and 16,000 kilometers are to be flown daily.

I might go on, Mr. President, and call attention to other features of the extraordinary progress in aviation which has taken place during the present year, but I merely wished to direct the attention of the Senate to some of the achievements which have occurred since this great event took place in North Carolina 23 years ago to-day. I desire at this time to intro-

duce a bill, which I ask to have read at the desk. Then I shall ask to have it referred to the Committee on Military Affairs.

The VICE PRESIDENT. Without objection, the Secretary will read as requested.

The bill (S. 4876) providing for the erection of a monument on Kill Devil Hill, at Kitty Hawk, N. C., commemorative of the first successful attempt in history at power-driven airplane flight, was read the first time by its title, the second time at length, and referred to the Committee on Military Affairs, as follows:

Be it enacted, etc., That there shall be erected on Kill Devil Hill, at Kitty Hawk, in the State of North Carolina, a monument in commemoration of the first successful attempt in all history at power-driven airplane flight, achieved by Orville Wright on December 17, 1903; and a commission to be composed of the Secretary of War, the Secretary of the Navy, and the Secretary of Commerce is hereby created to carry out the purposes of this act.

SEC. 2. That it shall be the duty of the said commission to select a suitable location for said monument, which shall be as near as possible to the actual site of said flight; to acquire the necessary land therefor; to superintend the erection of the said monument; and to make all necessary and appropriate arrangements for the unveiling and dedication of the same when it shall have been completed.

SEC. 3. That such sum or sums as Congress may hereafter appropriate for the purposes of this act are hereby authorized to be appropriated.

SENATOR FROM ILLINOIS

The VICE PRESIDENT. Concurrent and other resolutions are still in order. If there be no concurrent or other resolutions, resolutions coming over from a preceding day are in order.

Mr. ASHURST. Mr. President, adverting to Senate Resolution 297, which relates to the Senator from Illinois, I give notice that I shall not call up this resolution for action by the Senate unless and until Mr. Smith presents his credentials. I ask that the resolution lie on the table without prejudice, to be called up by me if and when Mr. Smith does present his credentials.

Have I permission to have that order entered?

The VICE PRESIDENT. The resolution is already on the table.

Mr. ASHURST. To be called up if and when Mr. Smith presents his credentials?

The VICE PRESIDENT. It can be so called up.

Mr. ASHURST. I wish that order entered, then, if there be no objection.

The VICE PRESIDENT. Under Rule VI resolutions of that sort, relating to questions of the highest privilege, can be called up at any time.

OFFICE OF ALIEN PROPERTY CUSTODIAN

Mr. NORRIS. Mr. President, I did not hear the Chair call for Senate resolutions. Have we reached that order of business?

The VICE PRESIDENT. We have passed the order of business of Senate resolutions.

Mr. NORRIS. I have a Senate resolution that I desire to offer and have read, and then I shall ask for its immediate consideration.

The VICE PRESIDENT. The resolution will be read.

The resolution (S. Res. 299) was read, as follows:

Resolved, That the President be, and he is hereby, requested, if not incompatible with the public interests, to send to the Senate a copy of the report made by the Comptroller General to the President on his investigation of the administration of the office of the Alien Property Custodian.

Mr. ASHURST. Does the Senator desire action on that resolution?

Mr. NORRIS. I do.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. CURTIS. There is no objection to it.

The resolution was considered and agreed to.

FEDERAL APPOINTMENTS IN GEORGIA

Mr. HARRIS. Mr. President, I ask for the consideration of Senate Resolution 285.

The VICE PRESIDENT. The resolution will be read.

The Chief Clerk read Senate Resolution 285, submitted by Mr. HARRIS on the 9th instant, as follows:

Whereas it is reported that the national committeeman of the Republican Party in the State of Georgia has engaged in the barter of Federal offices or of his influence in respect of appointments to such offices: Therefore be it

Resolved, That the President of the Senate is authorized to appoint a special committee of three Members of the Senate to investigate and report to the Senate as soon as practicable the facts in respect of the barter of Federal offices, or of influence in respect of appointments to such offices, in the State of Georgia. For the purposes of such resolution, such committee is authorized to hold hearings, to sit and act at such times and places, to employ such clerical and stenographic assistants, to require, by subpoena or otherwise, the attendance of such witnesses and the production of books, papers, and documents, to administer oaths and to take testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of such committee shall be paid from the contingent fund of the Senate. The committee shall make a final report to the Senate as to its findings at the beginning of the first regular session of the Seventieth Congress.

The VICE PRESIDENT. The Senator from Georgia asks for the immediate consideration of the resolution.

Mr. HARRIS. I do.

Mr. CURTIS. Mr. President, under the law the resolution can not be immediately considered. It must go to the Committee to Audit and Control the Contingent Expenses of the Senate.

The VICE PRESIDENT. It must go to that committee.

Mr. KING. Mr. President, before that order is entered, may I inquire of the Senator from Georgia why he limits the investigation to the State of Georgia?

The Senator knows that similar charges have been made respecting two or three other States; and some instances have been brought to the attention of the Senate, as I recall, which would justify an investigation in those States.

Mr. HARRIS. Mr. President, I desire to say that I am not familiar with the conditions in other States; but I am told by the most reliable people in my State that offices are sold, and, from information I get, I think it is the exception when an appointment is made on the recommendation of the Georgia Republican national committeeman that does not have a financial consideration. This resolution has been on the table for some time, and under the rules, as I understand, it has to go to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. SMOOT. Under the law.

Mr. HARRIS. Under the law. I will let it go to the committee. I hope the committee will report it one way or the other very soon.

Mr. HARRISON. Mr. President, it seems to me that if this matter is going to be investigated in Georgia the resolution should not be confined to Georgia, but should apply to other States where rumors are current or charges have been preferred. If the resolution should be reported out favorably, I hope it can be amended by striking out "the State of Georgia" and letting it apply to the whole United States; or, if not to the whole United States, I think at least it ought to apply to the Southern States.

Mr. JONES of Washington. Mr. President, I desire to ask why this resolution should not go to the Committee on Privileges and Elections, which has jurisdiction over the subject matter. Then the question raised by the Senator from Mississippi could very well be considered and the resolution amended. Then, after the action of that committee, if it recommends favorable action—and I think myself that favorable action should be taken—it could go to the Committee to Audit and Control the Contingent Expenses of the Senate. That Committee, as I understand, really has no jurisdiction to go into the merits of a proposition at all. The only thing it does is to pass on the money proposition, and I do not think it has very much discretion on that. My judgment is that the first action taken should be to refer this resolution to the committee that has jurisdiction over the subject matter to determine whether or not the investigation should be made.

Mr. FESS. Mr. President, will the Senator yield?

Mr. JONES of Washington. I will.

Mr. FESS. The matter was up for discussion at the last session, and the Senate agreed that that should be the procedure hereafter—that a resolution of this kind should go to the committee which could deal with the merits of the matter, and then later it could come to our committee, as we have not any leeway except either to report it out or to reject it.

Mr. JONES of Washington. I suggest to the Senator that we have this resolution referred to the Committee on Privileges and Elections, and then the amendment of the Senator from Mississippi [Mr. HARRISON] can be considered. I think it is very well to have it in.

Mr. KING. Mr. President, as a member of the Committee on Privileges and Elections, I should like to inquire why the

Senator believes that the resolution should go to that committee. As I understand the duty of the Committee on Privileges and Elections, it is to investigate the election of Senators, to determine whether they have the necessary qualifications, and so forth. My understanding is that this resolution relates to a subject quite different, to determine whether or not national committeemen—and I presume the reference is to Republican national committeemen—are bartering and selling offices, probably marshalships and judgeships and postmasterhips in various States, or in the State of Georgia. I have not any objection to the resolution going to that committee, but I do not think that automatically or necessarily it should go to that committee.

Mr. JONES of Washington. I think the Senator is right. I did not consider that phase of the matter. I do not know whether it should be referred to the Judiciary Committee or to some other committee.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. JONES of Washington. Yes; certainly.

Mr. NORRIS. I should like to suggest that while I have not any objection to the reference of the resolution to any particular committee, it seems to me that it would be more appropriate for it to go to the Committee on Civil Service. I understand that they have had at least one of these States of the South under investigation, although I do not know that they did it by virtue of a resolution. I understand that they have made a sort of preliminary investigation of this very subject.

Mr. KING. Mr. President, in my opinion, if I may venture to offer it, the resolution should go to the Committee on the Judiciary.

Mr. NORRIS. I have not any objection to that course, either.

Mr. KING. It strikes at the foundation of the law, and relates to officers other than those who are under the civil service.

Mr. NORRIS. If the subject is going to be investigated, it is much broader than post offices. I do not like the form of the resolution of the Senator from Georgia. It seems to me it ought to be in general terms, and not apply to any one State. If we are going to investigate it at all, that is what ought to be done.

Mr. SMITH. Mr. President, may I ask the Senator from Washington, in view of the form in which the resolution is, if it would not be very well to have it first go before the Committee to Audit and Control the Contingent Expenses of the Senate to determine just what may be done so far as money is concerned, and then, after they have passed upon it, let the Senate make such disposition as to the merits of it as they see fit?

Mr. NORRIS. Mr. President, I think the Senator will realize, if he will think of it for a moment, that the Committee to Audit and Control the Contingent Expenses of the Senate, before passing on the financial side of the matter, will want to know what the scope of the resolution is to be, whether it is to affect only one State, or is to cover a dozen States, making the appropriation of a vast amount of money necessary for the investigation.

Mr. SMITH. Would not the Senator from Georgia be willing to enlarge the scope of his resolution so as to take in the country generally?

Mr. HARRIS. I have no objection to that amendment. This is a serious charge to make, and I would not have made it if I had not known through reliable people in my State that there was foundation for the charges contained in this resolution. I did not want to include other States without having similar knowledge as to them.

Mr. SMITH. Any Senator who has been here any length of time knows the condition that has been alleged to exist in my State. I think it was one of the first that came here asking for any consideration, and I would like to have my State included if we are to make a thorough and honest investigation of the conditions.

Mr. HARRIS. Then, Mr. President, if I can get unanimous consent, I will amend the resolution so as to make it general, and apply to all the States.

Mr. BORAH. I was about to ask that the resolution be read again. I was not observing when it was read.

The VICE PRESIDENT. The clerk will read.

The Chief Clerk reread the resolution.

Mr. BORAH. Mr. President, it seems to me that the resolution ought to go to a general committee before it goes to the Committee to Audit and Control the Contingent Expenses of the Senate. I think any committee which will study the situation will realize that the resolution will have to be not only enlarged but redrafted to some extent, if we are to get any real

results. It seems to me it ought to go to a committee and be framed in such a fashion as to accomplish just what we want before we go into the matter at all.

Mr. HARRISON. Would the Senator have any objection to its going to the Committee on Rules?

Mr. BORAH. I have no objection to its going to any committee which will have power to deal with it.

Mr. MOSES. I should like to claim jurisdiction of it if it is confined solely to post offices.

Mr. HARRIS. It is not confined solely to post offices.

Mr. JONES of Washington. Mr. President, I merely wish to say that I have no objection to any committee to which it may be referred that has jurisdiction over any phase of the subject matter. I think it ought to go to a committee that can consider the terms of the resolution and make it broad enough to cover the whole situation. Then it should be reported to the Senate and sent to the Committee to Audit and Control the Contingent Expenses of the Senate. That is all I desire to say.

Mr. NORRIS. Mr. President, if this matter is to be investigated, it ought to be investigated in a very comprehensive way. It should not apply to post offices alone; it should not apply to any State alone. If an investigation is to take place, the jurisdiction of the investigating committee ought to cover the entire country. I do not mean that the committee should go everywhere in the country and investigate, but it ought to have power to do that. It should not be confined by any geographical limitations, it seems to me. It should not even be confined to the so-called Southern States, from which I suppose most of the charges come. If the matter shall be investigated in the way in which it should be investigated, it will be no small task. It will be a very large job, and the committee ought to have authority to sit anywhere in the United States. They ought to be given as broad a scope as can be given in any investigation of this kind. I have no choice as to where the particular resolution should be referred, if it is to be referred to a committee, but it ought to be referred to some committee, if the resolution is to be finally changed and passed, that will have authority, or would be given authority, to make the investigation.

Mr. SMITH. If the Senator will allow me, I think, in view of all the conditions that will be involved in such an investigation, without a doubt the resolution should go to the Committee on the Judiciary, because the very nature of the case would indicate that that would be the proper committee. Has the amendment making it general been accepted?

The VICE PRESIDENT. It has been accepted.

Mr. MOSES. If it is to go to the Committee on the Judiciary, I will waive my rights as chairman of the Committee on Post Offices and Post Roads to take jurisdiction of the subject and let it go to the committee headed by the Senator from Nebraska.

Mr. SMITH. I move that the resolution be referred to the Committee on the Judiciary.

Mr. MOSES. But I hope that committee will report back the resolution in an amended form, very simple, something like this, that an investigation should be made to discover whether each State of the Union is enjoying that form of republican government which is guaranteed to it under the Constitution.

Mr. SMITH. That is very appropriate.

Mr. HARRIS. I have no objection to the resolution being referred to the Committee on the Judiciary.

Mr. TRAMMELL. Mr. President, I think it is very proper to have the resolution referred to the Judiciary Committee, but there is one feature which I think should be investigated that does not seem to be embraced within the resolution; that is, the question of assessments being made against Federal employees, office holders, for the maintenance of their State and national organizations. I have no direct proof upon that subject, but it is a matter that is pretty commonly rumored that postmasters, for instance, after they once get into office, have to make contributions to maintain the State Republican organizations and to maintain their national committeemen here in Washington. I think it is very important that that should also be investigated, because after a person has once been appointed, if he is not very servile in making those contributions, regardless of his efficiency, he is naturally cut off from the possibility—in a great many instances, at least—of a reappointment; and even if he does respond to this kind of a demand, reprehensible proposition as it is, he then carries favor with the national committeeman who controls the appointments, and that perhaps deprives somebody who is not in favor with the national committeeman of an appointment, when perhaps he should have the appointment.

I think that should be embraced within this investigation, and I suggest that the committee which deliberates upon this resolution consider also that feature.

The VICE PRESIDENT. Without objection, the resolution will be referred to the Committee on the Judiciary.

If there is no further morning business, the calendar, under Rule VIII, is in order.

THE CALENDAR

The bill (S. 2607) for the purpose of more effectively meeting the obligations of the existing migratory bird treaty with Great Britain by the establishment of migratory bird refuges to furnish in perpetuity homes for migratory birds, the provision of funds for establishing such areas, and the furnishing of adequate protection of migratory birds, for the establishment of public shooting grounds to preserve the American system of free shooting, and for other purposes, was announced as first in order on the calendar.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

AMENDMENT OF INTERSTATE COMMERCE ACT

The bill (S. 2808) to amend section 24 of the interstate commerce act, as amended, was announced as next in order.

Mr. SMITH. Mr. President, I want to take this occasion to state that immediately after the holidays I shall use every effort to get this bill up. The conditions in the country are such that I think the amendments proposed are absolutely essential for the proper control of our transportation systems. The bill may go over for the present.

The PRESIDING OFFICER (Mr. BINGHAM in the chair). The bill will be passed over.

BILLS PASSED OVER

The bill (S. 1618) to prevent deceit and unfair prices that result from the unrevealed presence of substitutes for virgin wool in woven or knitted fabrics purporting to contain wool and in garments or articles of apparel made therefrom, manufactured in any Territory of the United States or the District of Columbia, or transported or intended to be transported in interstate or foreign commerce, and providing penalties for the violation of the provisions of this act, and for other purposes, was announced as next in order.

Mr. MOSES. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 66) to provide for the establishment, operation, and maintenance of foreign-trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes, was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2839) for the relief of Capt. James A. Merritt, United States Army, retired, was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

RETIREMENT OF CERTAIN ARMY OFFICERS

The bill (S. 3027) making eligible for retirement, under certain conditions, officers and former officers of the Army of the United States, other than officers of the Regular Army, who incurred physical disability in line of duty while in the service of the United States during the World War, was announced as next in order.

Mr. REED of Pennsylvania. Let that go over.

Mr. TYSON. I desire to give notice that at the first opportunity after the holidays I shall move to take up this bill.

The PRESIDING OFFICER. On objection, the bill will be passed over.

BILLS, ETC., PASSED OVER

The bill (S. 454) to prevent the sale of cotton and grain in futures markets was announced as next in order.

Mr. MOSES. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2854) to promote the development, protection, and utilization of grazing facilities on public lands, to stabilize the range stock-raising industry, and for other purposes, was announced as next in order.

Mr. WILLIS. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The resolution (S. Res. 188) to amend paragraph 2 of Rule XXXVIII of the Standing Rules of the Senate relative to nominations, was announced as next in order.

Mr. MOSES. Let that go over.

The PRESIDING OFFICER. The resolution will be passed over.

The bill (S. 3840) to provide for the consolidation of carriers by railroad and the unification of railway properties within the United States, was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 3821) to place under the civil service act the personnel of the Treasury Department authorized by section 38 of the national prohibition act, was announced as next in order.

Mr. REED of Pennsylvania. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2938) for the relief of the stockholders of the First National Bank of Newton, Mass., was announced as next in order.

Mr. OVERMAN. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2929) to authorize the refunding of certain evidences of indebtedness issued by carriers in interstate commerce, and for other purposes, was announced as next in order.

Mr. SHORTRIDGE. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 786) to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, and acts in amendment thereof, was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

FRENCH SPOILATION CLAIMS

The bill (S. 62) for the allowance of certain claims for indemnity for spoiliations by the French prior to July 31, 1801, as reported by the Court of Claims, was announced as next in order.

Mr. BRUCE. Mr. President, unless some good reason is given why it would be inopportune to call this bill up at the present time, I should like to have it called up. I move that it be taken up for consideration.

Mr. SMOOT. That motion can not be made until 1 o'clock.

Mr. BRUCE. Until 1?

Mr. SMOOT. Is the morning business concluded?

Mr. KING. Yes; we are on the calendar now.

Mr. BRUCE. Yes; we are on the calendar. I have no disposition to take this bill up—

Mr. CURTIS. May I interrupt the Senator?

Mr. BRUCE. Certainly.

Mr. CURTIS. I think this bill has been placed third in order by the steering committee for consideration. It would be impossible to pass the bill by 2 o'clock, when the unfinished business will come up, and I understand the Senator from Connecticut has a measure which possibly can be passed before 2 o'clock, and I hope the Senator from Maryland will let this bill go over and let the other matter come up.

Mr. BRUCE. Mr. President, I desire to say in that connection that I am just a little afraid that the steering gear of that steering committee may not be in good working order.

Mr. CURTIS. Let the Senator make his motion. I have no objection.

Mr. BRUCE. Oh, no; I am much obliged to the Senator for making his suggestion. I know that it was an entirely friendly one, but still this bill was placed by the steering committee on its calendar at the last session of Congress, and nothing came of that.

I want to make this statement to the Senate: For no less than three years—indeed, ever since I have been a Member of this body—I have sought in vain to have the Senate take this matter up for consideration and dispose of it. As strongly as the bill appeals to my support, it is almost becoming a thing of secondary importance to me how the Senate disposes of it, provided only that it is actually disposed of. I do think that in common fairness the claimants who are interested in this measure—and they constitute a very numerous class—should have an opportunity to have the Senate pass upon its merits. It has been favorably reported by the Senate Committee on Claims twice since I have been here, after strenuous opposition in committee. Once the Senate, on motion, took it up for consideration, and its passage, as I apprehend it, was defeated only by insistence on the part of one Member of this body that it, with all its voluminous provisions, should be read from one end to the other.

In fact, every possible form of obstruction has been resorted to for the purpose of preventing a hearing upon the bill.

When I remember how successful those efforts have been and how trivial in some respects have been the agencies by which the Senate has been deprived of the opportunity to vote upon the bill, I can not but recall an observation of the famous John Bright of the English Parliament that he had known an express train, flying at the rate of 60 miles an hour between Liverpool and London, to be derailed by a small donkey on the track. All I ask of the Senate is that it con-

sider the bill, give it a hearing, and then, in whatever it pleases to do with respect to it, I am prepared to acquiesce. The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

Mr. SMOOT. I wish to make one brief statement with reference to the matter. Twenty-three years ago this bill was referred to me as a member of the Finance Committee. I think it has been before the Senate for 23 years that I am fully aware of—not 3, but 23. I suppose it has passed the Senate a number of times, and I believe it also on one occasion passed the House; but it never has passed the House and the Senate in the same session. I am quite sure the Senator can not get the bill through by 2 o'clock.

Mr. MOSES. He can at least try.

Mr. BRUCE. Some of the circumstances connected with this matter have evidently faded out of his memory. The French spoliation claims were before the Congress in one form or another, not for 20 years but for a much longer time. Finally, after having knocked for years at the doors of Congress in vain, they were considered by Congress and were referred by it to the Court of Claims. That court gave most sedulous and exhaustive attention to them, and held no less than two hearings in relation to them; and the result was that the court decided adversely in the case of some 70 per cent of them, but held that the remainder of them were just and fully proven claims. And to those remaining claims, by different appropriations, nearly \$4,000,000 has been actually applied, pursuant to acts of Congress, leaving unpaid only the claims set forth in the pending bill.

The PRESIDING OFFICER. The Senator's time has expired under Rule VIII, the five-minute rule. The question is on the passage of the bill. The Chair heard no objection to its present consideration.

Mr. KING. The Senator from Maryland moved to take the bill up. Objection was made to its consideration, though I do not recall by whom.

The PRESIDING OFFICER. The question is on the motion that the Senate proceed to the immediate consideration of the bill.

Mr. BRUCE. Mr. President, as I understand it—

The PRESIDING OFFICER. The motion is not debatable. The motion was not agreed to.

BILLS PASSED OVER

The bill (S. 2770) to confer United States citizenship upon certain inhabitants of the Virgin Islands and to extend the naturalization laws thereto was announced as next in order.

Mr. WILLIS. The committee is considering some amendment of this measure and I suggest for that reason that it go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3331) to provide for the protection and development of the lower Colorado River Basin was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3473) to promote the agriculture of the United States by expanding in the foreign field the service now rendered by the United States Department of Agriculture in acquiring and diffusing useful information regarding agriculture, and for other purposes, was announced as next in order.

Mr. SMOOT. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3889) to amend the interstate commerce act, as amended, in respect of tolls over certain interstate bridges, was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

FOREIGN COMMERCE SERVICE

The bill (H. R. 3858) to establish in the Bureau of Foreign and Domestic Commerce of the Department of Commerce a foreign commerce service of the United States, and for other purposes, was announced as next in order.

Mr. KING. Let the bill go over for the present.

Mr. WILLIS. Mr. President, I desire to make a very brief statement about the bill. I understand the position of the Senator from Utah. He has desired an opportunity to examine certain features of the bill, and as soon as he has an opportunity I understand he will not object to having the bill taken up.

Mr. KING. My understanding with the Senator was that after the river and harbor bill was out of the way I would not object to the consideration of this measure.

Mr. WILLIS. That is correct.

Mr. KING. I suppose early in January we shall be able to take up the bill.

Mr. WILLIS. Yes; and as soon as that time arrives I want to move to take the bill up.

The PRESIDING OFFICER. The bill will be passed over.

BILLS PASSED OVER

The bill (S. 4106) to authorize and direct the Secretary of War to execute a lease with the Muscle Shoals Fertilizer Co. and the Muscle Shoals Power Distributing Co., and for other purposes, was announced as next in order.

Mr. SMOOT. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2081) placing certain noncommissioned officers in the first grade, was announced as next in order.

Mr. KING and Mr. McLEAN asked that the bill go over.

Mr. SHORTRIDGE. Mr. President, I do not urge Senators to withdraw their objection, but I very earnestly request that Senators, if the opportunity offers, may look into the merits of this particular bill. I think it is meritorious. At the next call of the calendar, I shall urge its consideration.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 7555) to authorize for the fiscal years ending June 30, 1928, and June 30, 1929, appropriations for carrying out the provisions of the act entitled "An act for the promotion of the welfare and hygiene of maternity and infancy, and for other purposes," approved November 23, 1921, was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

FEDERAL RESERVE PENSION FUND

The bill (S. 3657) to incorporate the Federal reserve pension fund, to define its functions, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. KING. I shall not object to the consideration of the bill, but I wish we could have a little more time than the five-minute rule permits. The Senator from Connecticut [Mr. McLEAN] has been very considerate, and I shall not object to its consideration.

The Senate, as in Committee of the Whole, proceeded to consider the bill.

The first amendment of the Committee on Banking and Currency was, on page 5, line 24, after the word "employer," to insert the following additional proviso:

And provided further, That no pension shall be paid out of the amounts contributed or to be contributed by the Federal reserve banks, the Federal Reserve Board, and the Federal reserve agents at a rate in excess of 30 per cent of the maximum annual salary received by such officer or.

The amendment was agreed to.

Mr. KING. Mr. President, I invite the attention of the Senator from Connecticut to the provision on page 2 and the provision on page 3, which extend the operations of the bill to State banks or trust companies or State institutions if they shall ever become members of the Federal reserve system. I would like to know the theory upon which the Federal Government, if my interpretation of the bill is right, intrudes itself into the State and says to the State institutions, "We have provided a Federal board that shall determine the pensionable status of employees in your various banks and trust companies."

Mr. McLEAN. Yes; they are private institutions the same as national banks. This is merely a voluntary proposition. They can come in if they so desire or remain out.

Mr. KING. It is voluntary in so far as joining the Federal reserve system is concerned, but it is involuntary so far as forcing State banks and State institutions, which may be members of the Federal reserve system, under the provisions and operation of this bill.

Mr. McLEAN. If they become members of the Federal reserve system, then they give it jurisdiction.

Mr. MOSES. Mr. President, may I ask the Senator from Connecticut if this is anything more than an enabling act for banks which wish to establish a pension system?

Mr. McLEAN. That is all.

Mr. MOSES. I am glad to see the junior Senator from Utah so vigorous in defending State rights, because that question is coming up here presently in a much higher form.

Mr. KING. I hope I shall always be a defender of local self-government against the new federalism which tries to destroy the same. But I ask the Senator from Connecticut again if he thinks it is wise or proper to establish a Federal corporation which will project itself into the States and say to State institutions, which may have voluntarily come into the Federal reserve system, "We are going to impose upon you a pension system with respect to your employees, willy-nilly."

Mr. WALSH of Montana. Mr. President, will the Senator kindly call our attention to those provisions of the bill which in his judgment so operate? As I read the bill, it provides pensions or other funds of support for the officers and employees of Federal reserve banks, of the Federal Reserve Board, and Federal reserve agents.

Mr. KING. I was asking the Senator from Connecticut because I have not had time to read the bill. Paragraph (c), on page 2, and paragraph (d), on page 3, indicated to me or at least, as I hastily examined them, led me to the view that the position which I just suggested was right. I will read them:

(c) To provide pensions or other forms of support for officers and employees (and for persons who may be or who may have been dependent upon such officers or employees) of any bank or trust company that is or shall be a member bank of any Federal reserve bank, and who shall be deemed entitled to the assistance and aid of the corporation, on such terms and conditions, however, as the corporation may from time to time approve and adopt.

In paragraph (d) it is provided:

(d) In general, to do and perform all things necessary or appropriate to a corporation created for the purpose of providing pensions or other forms of support for officers and employees of Federal reserve banks, Federal Reserve Board, Federal reserve agents, and member banks of Federal reserve banks and for persons who have been or may be dependent upon such officers or employees—

And so forth.

Further on it provides that the—

corporation may establish and maintain appropriate activities, agencies, and institutions and may aid or make use of such activities, agencies, or institutions as may be now or hereafter established for like or similar purposes—

And so forth.

It is very clear to me that this is for the purpose of reaching State institutions which may be members of the Federal reserve system. I think the Senator ought to agree to strike out those provisions.

Mr. McLEAN. Mr. President—

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Connecticut?

Mr. KING. I yield.

Mr. McLEAN. The important provision of the bill, I will say to the Senator, is to authorize the Federal Reserve Board and the Federal reserve banks to establish pension systems. I think something like 100 systems or more were examined by the experts who were interested in the matter. They recommended this provision, which permits a member bank to come into the incorporation, if it is formed, for the purposes of economy, thinking possibly that it might be an invitation to the State banks to come into the system.

The Senator will realize that the Federal reserve banks now are laboring under a great disadvantage because of the absence of any pension system. Their good men are leaving, and leaving constantly, because of increased salaries offered them by the outside banks. It was felt that this provision would make the Federal reserve system more popular and tend to invite State banks into the system, because a good many of the State banks are not large enough to establish a pension system; that is, it was thought wise that if it could all be managed under one head it would be very much better and very much more satisfactory and inexpensive.

If the provision referred to is going to defeat the bill and carry it over to-day, I would rather have those provisions taken out; but the bill has not passed the House, and I hope the Senator will let it go through as it is, because I think the provision is a proper one.

Mr. FLETCHER. Mr. President, may I suggest to the Senator that it is purely voluntary?

Mr. McLEAN. That is just what I have suggested.

Mr. FLETCHER. They are simply authorized to consider it and go into the system if they want to do so.

Mr. McLEAN. That is all. There is no compulsion. It does not interfere in any way with the rights of the State banks or State supervision over State banks, but if such a bank comes into the system and desires to join this corporation and come under the provisions of this pension system, it can do so.

Mr. FLETCHER. That is what I understand to be the point which has been made by the Senator from Utah; that if these banks came into the system they would be obliged to become a part of this corporation in a way, and to accept the provisions that might be laid down with reference to the corporation under its rules and regulations.

Mr. McLEAN. That is merely permissive.

The PRESIDING OFFICER. The time of the Senator from Utah has expired.

Mr. KING. It has been used by others, far better, perhaps. The PRESIDING OFFICER. The Senator from Florida [Mr. FLETCHER] has the floor.

Mr. FLETCHER. Mr. President, I wish to call the attention of the Senator from Utah to the provision on page 6, which reads—

and such banks or trust companies as may be now or hereafter be member banks of a Federal reserve bank are hereby authorized to contribute to the cost of the organization and operation of the corporation and the establishment and maintenance of the said funds.

Such banks are simply authorized to do it; they are not obliged to do it. So I think the point made by the Senator from Utah is answered by that provision of the bill. The particular banks are not compelled to become a part of this system.

Mr. WALSH of Montana. Mr. President, I had noticed the provision of the bill referred to by the Senator from Florida to the effect that the member banks are authorized to contribute to the organization of the corporation. It might be inferred from that provision that any bank will be at liberty to join this corporation or not to join the corporation; but subdivision (c), in section 1, to which our attention has been called by the Senator from Utah, seems to be inconsistent with that. It is perfectly plain from the language that the board is authorized—

To provide pensions or other forms of support for officers and employees * * * of any bank or trust company that is or shall be a member bank of any Federal reserve bank, and who shall be deemed entitled to the assistance and aid of the corporation on such terms and conditions, however, as the corporation may from time to time approve and adopt.

Mr. McLEAN. That is, provided always that the State bank desires to come in.

Mr. WALSH of Montana. Yes; but the bill does not say so. The board is authorized to provide pensions for the employees of those banks. It is true that that seems rather inconsistent with the provisions which are found in section 4 on page 6; it is equivocal, to say the least. If this be entirely voluntary, I should have no objection to it at all, but I should certainly want to take the advice of the State banks which are members of the Federal reserve system of my State before I could give the measure my approval, provided it was compulsory; and it certainly looks that way from the provisions of subdivision c.

The initial paragraph, paragraph (a), states that the purpose of the corporation is—

(a) To provide pensions or other forms of support for officers and employees of the Federal reserve banks, Federal Reserve Board, and Federal reserve agents, who by reason of long and meritorious service—

And so forth.

It will be observed that in the purpose of the corporation as indicated in paragraph (a) the employees of the member banks do not come in at all; and yet when we come down to subdivision (c) it is found that the board, in addition to providing a system of retirement pay for employees in the Federal reserve banks and the Federal Reserve Board and the Federal reserve agents, is also empowered to provide pensions for the employees of the other banks. These two sections are inconsistent with each other.

Mr. McLEAN. I would not say they were inconsistent, though the first section referred to may be a little incomplete.

Mr. GLASS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Montana yield; and if so, to whom?

Mr. WALSH of Montana. I yield to the Senator from Virginia.

Mr. GLASS. If occurs to me that that is a pertinent inquiry. What "other banks" are referred to? Such "other banks" as may voluntarily come into the system.

Mr. WALSH of Montana. To what does the Senator now refer?

Mr. GLASS. I think the provision of the bill on page 6, where it states that these banks are authorized to do this, means they are authorized to do it for just such banks as voluntarily come into the system.

Mr. WALSH of Montana. Yes; but observe that under section subdivision (c) the power is given to provide the system, and under section 4 a bank is authorized to take money out of its assets and make contribution to the system provided by the corporation as set forth in subdivision (c) of section 1.

Mr. GLASS. I read subdivision (c) in conjunction with the other provisions of the bill.

Mr. WALSH of Montana. So do I.

Mr. GLASS. And not separated from the other provisions.

Mr. WALSH of Montana. It is in a measure inconsistent. The proposed corporation is empowered to provide the system, but otherwise the bank would say, "We have no power to use our money in this way." Section 4, which is found on page 6, authorizes them to use the money for that purpose.

The PRESIDING OFFICER. The time of the Senator from Montana has expired. The Senator from Virginia has the floor.

Mr. GLASS. The provision would not compel the banks to use their money for that purpose; so that if they do not wish to be the beneficiaries of the system they need not come in.

Mr. KING. The language does not so provide.

Mr. GLASS. The whole purpose of the provision was to create a purely voluntary arrangement.

Mr. REED of Missouri. Mr. President, I should like to have this bill go over until we may have an opportunity to study it. I have never seen it and never heard of it. It is called up here in the morning hour under the five-minute rule, when there is no time to discuss it. I am very certain that it needs some study. I therefore ask the Senator from Connecticut to let the bill go over until to-morrow.

Mr. McLEAN. Mr. President, I will say to the Senator from Missouri that I brought the bill up at the last session and I have tried to do my duty by it at this session. This is the third time I have endeavored to have it considered; but the Senator from Missouri has not happened to be present on the previous occasions. I am very desirous that action shall be had upon it.

As the Senator knows, the Federal reserve system is laboring under a great disadvantage. The board is urging me to press the bill. It is approved by the Secretary of the Treasury, and I think is very carefully drawn and ought to be disposed of. The Senator understands the condition we are in.

Mr. CURTIS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Kansas?

Mr. REED of Missouri. I will yield, but I do not care to have all my time consumed.

Mr. CURTIS. Mr. President, I was going to suggest that if the State banks were eliminated, perhaps, there would be no objection to the measure.

Mr. REED of Missouri. Mr. President, I have another objection to the bill, and I can not present it and get light on it in five minutes' time, I presume. Here is a provision empowering the proposed corporation to provide for pensions or means of support not only for the employees but for persons who may be or have been dependent upon such officers or employees. This applies to the Federal Reserve Board and the Federal reserve agents and the Federal reserve branch banks. The Government has an interest in the Federal reserve branch banks, the district banks. It has an interest in the profits which may be made, and I can easily see how this could be employed so that the moneys that are set aside for the benefit of this corporation by the Federal reserve banks—I do not mean the mere member banks, but I mean the district banks—would all come out of that part of the fund in which the Government of the United States is entitled to participate. I wish to know something about this bill.

Mr. McLEAN. Mr. President, the amendment which the committee offers limits the pensions to 30 per cent of the salary. There are about 10,000 employees, and it is estimated it will cost not to exceed \$600,000 a year under the limitations provided. That may give the Senator information which he desires. Such an expenditure would not seriously affect the income of these institutions, and it is believed that it would be an excellent investment, a paying investment.

Mr. REED of Missouri. That may be, but I want time to consider it.

Mr. McLEAN. It will invite willing and efficient service, something greatly to be desired.

Mr. BRUCE. Mr. President, I note the absence of a quorum. The PRESIDING OFFICER. Does the Senator from Missouri yield for that purpose?

Mr. REED of Missouri. Yes.

The PRESIDING OFFICER. The clerk will call the roll. The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Capper	Edwards	Gillett
Bingham	Copeland	Ernst	Glass
Blease	Couzens	Ferris	Goff
Borah	Curtis	Fess	Gould
Bratton	Dale	Fletcher	Hale
Broussard	Deneen	Frazier	Harris
Bruce	Dill	George	Harrison
Cameron	Edge	Gerry	Hefflin

Howell	Metcalf	Sackett	Tyson
Johnson	Moses	Schall	Wadsworth
Jones, Wash.	Necly	Sheppard	Walsh, Mass.
Kendrick	Norris	Shipstead	Walsh, Mont.
Keyes	Oddie	Simmons	Warren
King	Overman	Smith	Watson
Lenroot	Pine	Smoot	Weller
McKellar	Pittman	Steck	Wheeler
McLean	Ransdell	Stephens	Willis
McMaster	Reed, Mo.	Stewart	
McNary	Reed, Pa.	Swanson	
Mayfield	Robinson, Ind.	Trammell	

The PRESIDING OFFICER. Seventy-seven Senators having answered to their names, a quorum is present. The question is on the passage of the bill.

Mr. WALSH of Montana. Mr. President, in order to meet some objections which have been made, I offer an amendment, to add an additional section, as follows:

No member bank shall be required to contribute to any fund, the creation of which is herein provided for, unless it shall elect to participate in the operation and maintenance of the said Federal reserve pension fund.

Mr. McLEAN. I shall be glad to accept that amendment.

The amendment was agreed to.

Mr. WALSH of Montana. Another matter, Mr. President: I desire to make an inquiry of the Senator having the bill in charge. Certain persons designated in section 1 of the bill are declared to be, with their successors, a body corporate by the name of the Federal reserve pension fund. I am troubled to know who the successors of these gentlemen shall be and how they shall be selected. I see in the bill no provision whatever looking to the filling of vacancies that may occur.

Mr. FLETCHER. Mr. President, if the Senator will turn to page 4, line 16, he will see that it provides how the trustees are to be elected.

Mr. WALSH of Montana. I find on that page the following:

The constitution shall prescribe the qualifications of members who may or may not be restricted to the same persons who are trustees of the corporation, the number of members who shall constitute a quorum for the transaction of business at meetings of the corporation, the number of trustees by whom the business and affairs of the corporation shall be managed, and the qualifications, powers, tenure of office, and manner of selection and of fixing the compensation of the trustees, managers, officers, and employees of the corporation.

Mr. FLETCHER. Beginning in line 16.

Mr. WALSH of Montana (reading)—

Provided, however, That the trustees of the corporation shall consist of not more than 26 persons, of whom 12 shall be elected, 1 each by the respective boards of directors of the several Federal reserve banks, and of whom 12 shall be elected, 1 each by the respective employees of the several Federal reserve banks, and of whom 1 shall be elected by the Federal Reserve Board, and of whom 1 shall be elected by the employees of the Federal Reserve Board.

Mr. BRUCE. It does not say anything about the duration of their services.

Mr. FLETCHER. It says that the constitution shall prescribe the manner of selecting and of fixing the compensation of the trustees, managers, officers, and employees of the corporation.

Mr. WALSH of Montana. I suppose probably the words "tenure of office" might cover that. I ask the Senator from Maryland [Mr. BRUCE] if he agrees with that.

Mr. BRUCE. Yes.

Mr. KING. What is the tenure of office?

Mr. WALSH of Montana. Line 11, page 4:

The constitution shall prescribe * * * the number of trustees by whom the business and affairs of the corporation shall be managed, and the qualifications, powers, tenure of office, and manner of selection and of fixing the compensation of the trustees, managers, officers, and employees of the corporation.

I think that is taken care of, then.

The PRESIDING OFFICER. Will the Senator send the amendment to the desk in order that it may be stated for the information of the Senate?

Mr. WALSH of Montana. Certainly.

The PRESIDING OFFICER. The amendment will be stated. The LEGISLATIVE CLERK. It is proposed to add as a new paragraph:

No member bank shall be required to contribute to any fund the creation of which is herein provided for unless it shall elect to participate in the operation and maintenance of the said Federal reserve pension fund.

The amendment was agreed to.

Mr. KING. Mr. President, on page 3, beginning with the word "except," in line 14, I move to strike out lines 14 to 19, both inclusive, in the following words:

Except that the corporation may provide pensions or other forms of support for its officers and employees and their dependents, under the same terms and conditions as are provided for officers and employees of Federal reserve banks and their dependents.

This bill creates a corporation, and names, as Senators will perceive, in the first section, Mr. Crissinger, who is the chairman of the Federal Reserve Board; Mr. Harding, the former chairman of the Federal Reserve Board; and various other persons who are, I presume, connected with some of the Federal reserve banks throughout the United States. It constitutes them a corporation. Not satisfied, apparently, with providing for pensions for employees of the banks now in existence or those that hereafter shall be organized under the Federal reserve system, we now go further, and provide that the members of this corporation shall be taken care of, and their families and their dependents.

If we are so solicitous for the officials of this corporation, which is created for some quasi-public duty, there is no reason why we should not take care of the members of the Shipping Board and their dependents and their families, and every other Government organization or corporation that may now exist or may hereafter be created for the purpose of aiding in carrying out some alleged or supposed purpose of the Government, or, perhaps, for some legitimate purpose of the Federal Government. While we are taking care of the employees of the banks, I see no reason why Mr. Crissinger and Mr. W. P. G. Harding and others should be taken care of. Most of these men are within or outside of banking circles, and they are all receiving very large salaries.

Mr. McLEAN. Mr. President, the members of the Federal Reserve Board and the governors of the banks are excluded from the bill. None of them, I think, come under the provisions of this bill, and it is limited to salaries of \$18,000 a year; so it would apply only to the subordinates.

Mr. KING. I am not sure about that. The language is—except that the corporation may provide pensions or other forms of support for its officers and employees.

That would include Mr. Crissinger, certainly. That would include Mr. W. P. G. Harding, certainly.

Mr. McLEAN. If he is a member of the Federal Reserve Board, he is excluded. Under the terms of the bill the members of the board do not come under it.

Mr. KING. I am not sure about that. Then, it is inconsistent, because this has no limitation—

except that the corporation may provide pensions or other forms of support for its officers—

It does not say "unless they shall be members of the Federal Reserve Board—"

and employees and their dependents, under the same terms and conditions as are provided for officers and employees of Federal reserve banks and their dependents.

It seems to me that too much solicitude has been exhibited for this board; and if we take care of them, and give them and their employees and their families and their dependents all of the benefits that are extended to employees of the Federal reserve banks who are to be pensioned, obviously other boards Federal in character or supposed to be, discharging some Federal or governmental function, will demand that there shall be no discrimination, and that we give them a pension system.

I move to strike out those lines.

The PRESIDING OFFICER. The question is on the motion of the Senator from Utah to strike out, on page 3, lines 14 to 19, both inclusive, beginning with the word "except." [Putting the question.] By the sound the "noes" appear to have it.

Mr. KING. I suggest the absence of a quorum, and shall demand the yeas and nays.

The PRESIDING OFFICER. The absence of a quorum being suggested, the Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Dill	Hale	McNary
Bayard	Edge	Harris	Mayfield
Bingham	Edwards	Harrison	Means
Blease	Ernst	Heflin	Metcalf
Borah	Ferris	Howell	Moses
Bratton	Fess	Johnson	Neely
Broussard	Fletcher	Jones, N. Mex.	Norris
Bruce	Frazier	Jones, Wash.	Oddie
Cameron	George	Kendrick	Overman
Capper	Gerry	Keyes	Pine
Copeland	Gillett	King	Pittman
Couzens	Glass	Leahoot	Ransdell
Curtis	Goff	McKellar	Reed, Mo.
Dale	Gooding	McLean	Reed, Pa.
Deneen	Gould	McMaster	Robinson, Ind.

Sackett
Schall
Sheppard
Shipstead
Shortridge
Smith

Smoot
Steck
Stephens
Stewart
Swanson
Trammell

Tyson
Wadsworth
Walsh, Mass.
Walsh, Mont.
Warren
Watson

Weller
Wheeler
Willis

The PRESIDING OFFICER. Eighty-one Senators having answered to their names, a quorum is present. The question is on agreeing to the amendment offered by the Senator from Utah.

Mr. McLEAN. Mr. President, I think the proviso on page 3 takes care of the objection offered by the Senator from Utah, but I am very anxious to have this bill acted upon to-day, and I accept his amendment.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BILLS, ETC., PASSED OVER

The bill (S. 3342) to remove clouds from the title of the Verde River irrigation and power district to its approved rights of way for reservoirs and canals and extend the time for construction of its project, and for other purposes, was announced as next in order.

Mr. ASHURST. Let that go over, please.

The PRESIDING OFFICER. The bill will be passed over. The bill (S. 4177) to regulate interstate and foreign commerce in coal and to promote the general welfare dependent on the use of coal, and for other purposes, was announced as next in order.

Mr. REED of Pennsylvania. Let that go over.

The PRESIDING OFFICER. The bill will be passed over. The bill (H. R. 8714) authorizing the Secretary of the Interior to equitably adjust disputes and claims of settlers and others against the United States and between each other arising from incomplete or faulty survey in T. 19 S., R. 26 E., Tallahassee meridian, Lake County, in the State of Florida, was announced as next in order.

Mr. BRATTON. Let that go over.

Mr. FLETCHER. Mr. President, I expect to get some further information on this subject before I ask for the passage of the bill, but I think the bill as amended is a good bill. However, I am willing to have it go over for the present.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3533) to provide for the better definition and extension of the purpose and duties of the Board of Education, and for other purposes, was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over. The bill (S. 3255) for the relief of certain counties in the States of Oregon and Washington, within whose boundaries the reconstituted Oregon & California Railroad Co. grant lands are located, was announced as next in order.

Mr. BRATTON. Let that go over.

The PRESIDING OFFICER. The bill will be passed over. The bill (S. 4224) to amend Title II of an act approved February 23, 1925 (43 Stat. 1053), regulating postal rates, and for other purposes, was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over. The joint resolution (S. J. Res. 92) consenting that certain States may sue the United States, and providing for trial on the merits in any suit brought hereunder by a State to recover direct taxes alleged to have been illegally collected by the United States during the years 1866, 1867, and 1868, and vesting the right in each State to sue in its own name, was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

The bill (S. 4207) to amend and strengthen the national prohibition act and the act of November 23, 1921, supplemental thereto, and for other purposes, was announced as next in order.

Mr. BRUCE. Let that go over.

The PRESIDING OFFICER. The bill will be passed over. The bill (S. 455) to amend the practice and procedure in Federal courts, and for other purposes, was announced as next in order.

Mr. REED of Pennsylvania. Let that go over.

The PRESIDING OFFICER. The bill will be passed over. The bill (S. 477) to give the Supreme Court of the United States authority to make and publish rules in common-law actions was announced as next in order.

Mr. WALSH of Montana. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

PROTECTION OF GOVERNMENT PROPERTY IN ALASKA

The joint resolution (H. J. Res. 100) to authorize the Secretary of War to expend not to exceed \$125,000 for the protection of Government property adjacent to Lowell Creek, Alaska, was considered as in Committee of Whole and as heretofore amended was read, as follows:

Resolved, etc., That the Secretary of War is authorized to expend not to exceed \$125,000 out of any moneys hereafter appropriated for such purpose for the regulation of Lowell Creek, Alaska, for the protection of the buildings, terminal grounds, etc., of the Alaska Engineering Commission and the Alaska Road Commission, the Department of Justice, the United States Signal Corps, and other Federal property within or adjacent to the town of Seward, Alaska, from damage due to floods and overflows of said Lowell Creek: *Provided*, That \$25,000 of the above amount shall be contributed and paid in by the town of Seward or other local interests to be benefited by the proposed improvement before said work is commenced.

Mr. KING. I would like to have some explanation of the joint resolution. It may be all right. I ask the Senator from Washington if he is familiar with that measure?

Mr. JONES of Washington. I think the joint resolution relates to the protection of property at Seward. I visited that place a couple of years ago, and I think this measure is very desirable. I was impressed with the possibility and likelihood of Government buildings being washed away there at any time, and I was impressed very strongly with the importance of some protecting work at that place, which I assume the joint resolution covers. I think its passage is really very desirable.

The PRESIDING OFFICER. The Chair will state for the information of the Senate that the joint resolution at one time was considered by the Senate. The amendments have been agreed to, but the joint resolution as amended was placed back on the calendar.

Mr. KING. I notice that the amendment recommended by the Secretary of War has been accepted, so I have no objection to it.

The joint resolution was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

HOSPITAL AT SOLDIERS' HOME, MARION, IND.

The bill (S. 4027) to authorize the construction of three cottages and an annex to the hospital at the National Home for Disabled Volunteer Soldiers at Marion, Ind., was announced as next in order.

Mr. KING. That measure was objected to at the last session of Congress, and the Senator from Wisconsin [Mr. LA FOLLETTE] was interested in the matter. I have received from persons living in the city where this sanitarium, or home, is located, letters objecting to the appropriation, and several letters approving it. In view of the fact that the Senator from Wisconsin is absent, and in view of the dissimilar information, I am disposed to ask that it go over.

Mr. OVERMAN. Let it go over.

The PRESIDING OFFICER. The bill will be passed over.

PURCHASE OF APPARATUS FOR THE SIGNAL CORPS AND OTHER SERVICES

The bill (S. 1487) to authorize the Secretary of War to class as secret certain apparatus pertaining to the Signal Corps, Air Service, and Chemical Warfare Service, and empower him to authorize purchases thereof and award contracts therefor without notice or advertisement, was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That, in addition to authority heretofore granted, the Secretary of War be, and hereby is, empowered in his discretion to class as secret any apparatus and equipment pertaining either to the Signal Corps, the Air Service, or the Chemical Warfare Service of the Army of the United States, of such nature that the interests of the public service would be injured by publicly divulging them, and may authorize purchases and award contracts for the development, manufacture, and procurement thereof without public advertisement for bids or due notice to the trade: *Provided*, That such purchases and contracts shall not be made or awarded except under circumstances where it shall be impracticable to procure such articles in Government establishments.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF FARM LOAN ACT

The bill (H. R. 9269) to amend paragraph 2 of section 7 of the farm loan act was announced as next in order.

Mr. BRATTON. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

NINETY-THIRD DIVISION MONUMENT

The bill (H. R. 9694) authorizing the erection of a monument in France to commemorate the valiant services of the ninety-third division of the American Expeditionary Forces was announced as next in order.

Mr. REED of Pennsylvania. Let that go over.

Mr. COPELAND. Mr. President, I hope that at some time the Senate will give some consideration to this bill. It proposes to commemorate the brave deeds of a splendid division. It has been passed by the House, and deserves the attention and consideration of the Senate. I trust it may be given consideration and approval.

The PRESIDING OFFICER. The bill will be passed over.

CESSION OF LANDS TO OREGON

The bill (S. 3099) to cede certain lands in the State of Oregon, including Diamond Lake, to the State of Oregon for fish-cultural purposes, and for other purposes, was announced as next in order.

Mr. WALSH of Montana. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

SALE OF GRAZING LANDS

The bill (S. 4043) to permit the sale of small or inaccessible tracts of public grazing lands was announced as next in order.

Mr. WALSH of Montana. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

EAST POTOMAC PARK TOURIST CAMP

The joint resolution (S. J. Res. 108) providing that no permanent building shall be erected in East Potomac Park solely for tourist-camp purposes pending the selection of a more suitable site was announced as next in order.

Mr. JONES of Washington. That should go over.

Mr. CAPPER. Let me explain it. The tourist camp building referred to in the joint resolution has been erected. Therefore nothing would be accomplished by the passage of the joint resolution, and I move that it be indefinitely postponed.

The motion was agreed to.

AMENDMENT OF PORTO RICAN ACT—BILL PASSED OVER

The bill (S. 4247) to amend and reenact sections 3, 20, 31, 33, and 38 of the act of March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes," as amended by an act approved June 7, 1924, and for the insertion of two new sections in said act between sections 5 and 6 and sections 41 and 42 of said act, to be designated as "5a" and "41a" of said act, was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

BILLS PASSED OVER

The bill (H. R. 9268) to amend the agricultural credits act of 1923 was announced as next in order.

Mr. KING. I would like to have some explanation of the bill. It seems to be a very important measure.

SEVERAL SENATORS. Let it go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1143) amending section 1 of the interstate commerce act was announced as next in order.

Mr. FESS. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3574) to provide for the deportation of certain alien seamen, and for other purposes, was announced as next in order.

Mr. BRUCE. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

MISSISSIPPI RIVER BRIDGE AT LANSING, IOWA

The bill (H. R. 10857) granting the consent of Congress to the Interstate Bridge Co., of Lansing, Iowa, to construct a bridge across the Mississippi River at Lansing was announced as next in order.

Mr. JONES of Washington. I understand an amendment has been proposed to that bill.

The PRESIDING OFFICER. The Chair is informed that an amendment has been proposed.

Mr. JONES of Washington. I ask that it may go over.

The PRESIDING OFFICER. The bill will be passed over.

CHARLES A. MAYO AND OTHERS

The bill (S. 70) for the relief of Charles A. Mayo was considered as in Committee of the Whole.

The bill had been reported from the Committee on Claims with an amendment to strike out all after the enacting clause and to insert:

That there be paid, out of any money in the Treasury not otherwise appropriated, to Charles A. Mayo the sum of \$1,120, to T. S. Taylor the sum of \$90, and to Frank Hickey the sum of \$90, on account of property lost by fire at the United States reclamation camp at Rimrock, Wash., May 11, 1920.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Charles A. Mayo, T. S. Taylor, and Frank Hickey."

CABAZON WATER CO.

The bill (H. R. 11488) authorizing and directing the Secretary of the Interior to sell certain public lands to the Cabazon Water Co., issue patent therefor, and for other purposes, was announced as next in order.

Mr. BRATTON. Let that be passed over.

The PRESIDING OFFICER. The bill will be passed over.

INTERSTATE TRANSPORTATION OF FIREARMS

The bill (H. R. 4502) declaring pistols, revolvers, and other firearms capable of being concealed on the person nonmailable and providing penalty, was announced as next in order.

Mr. KING. Let that go over.

Mr. COPELAND. Mr. President, I hope that the Senator who made the objection will withhold his objection for a moment. This bill in one form or another has been pending here a long time. We are making an effort in New York State to do away with crime and have a very rigid law prohibiting the possession or carrying of pistols. It is very easy now to go across the river, however, into an adjoining State and buy firearms, and it is possible to buy such arms in distant cities. I saw a journal the other day published in a western city containing 21 advertisements of pistols.

We ought to give consideration to this matter, as it is a matter which has to do with the lives and well being of our citizens. We can hardly consider it now, of course, but I do hope that before long we will give serious consideration to this particular measure, because of its importance to our people.

The PRESIDING OFFICER. On objection, the bill will be passed over.

RIVER AND HARBOR BILL

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, the river and harbor bill.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 11616) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

Mr. KING. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum being suggested, the clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Fletcher	Lenroot	Sheppard
Bayard	Frazier	McKellar	Shipstead
Bingham	George	McLean	Shortridge
Blease	Gerry	McMaster	Smith
Borah	Gillett	McNary	Smoot
Bratton	Glass	Mayfield	Steck
Bronssard	Goff	Means	Stephens
Bruce	Gooding	Metcalf	Stewart
Cameron	Gould	Moses	Swanson
Capper	Hale	Neely	Trammell
Copeland	Harris	Norris	Tyson
Couzens	Harrison	Oddie	Wadsworth
Curtis	Heflin	Overman	Walsh, Mass.
Dale	Howell	Pittman	Walsh, Mont.
Deneen	Johnson	Ransdell	Warren
Dill	Jones, N. Mex.	Reed, Mo.	Watson
Edge	Jones, Wash.	Reed, Pa.	Weller
Edwards	Kendrick	Robinson, Ind.	Wheeler
Ferris	Keyes	Sackett	Willis
Fess	King	Schall	

The PRESIDING OFFICER. Seventy-nine Senators having answered to their names, a quorum is present.

Mr. JONES of Washington. I ask that we may take up the committee amendment on page 2. I think we can dispose of that in a very little while.

Mr. NORRIS. That is the amendment to which I have offered an amendment.

The PRESIDING OFFICER. The pending question will be stated.

The CHIEF CLERK. The pending amendment is that of the committee, page 2, after line 13, to which the Senator from Nebraska [Mr. NORRIS] proposes to add a proviso as follows:

Provided, That no expenditures under this item which shall be of special benefit to any property owner shall be made save on such co-operative basis of contribution toward the cost of the improvement as the Chief of Engineers and the Secretary of War may deem equitable.

Mr. NORRIS. The principle object I had in offering the amendment was to show what I believed to be and what I think is conceded to be rather a discrimination against the Missouri River project as the bill passed the House. I think the amendment calls the attention of the Senate to a discrimination which is quite apparent. If we are to depend for this improvement upon practically the unanimous consent of everybody who has property abutting the river, it means nothing, because one person could prevent the work being done. Moreover, it is contrary to the general principle any way, and I think is conceded to be so.

The chairman of the Committee on Commerce has called a meeting of the committee for to-morrow morning, at which this matter will be taken up. I feel, therefore, that the particular amendment applied to the Hackensack River would be just as objectionable to that proposition as it would be to those who believe the Missouri River ought to be improved. Having accomplished the object which I had in view of calling attention to this discrimination, I am willing to and do now withdraw the amendment.

Mr. JONES of Washington. Mr. President, I am in hearty accord with the statement made by the Senator from Oregon [Mr. McNARY] a few days ago with reference to the policy which seems to be followed in one section of the country and not in another. I think we ought to follow the same policy in every section of the country with reference to these various projects. Therefore I have called a meeting of the committee for to-morrow morning for the purpose of considering, among other things, this proposition with the idea and with the view that we will be able to bring in a provision repealing the provisions requiring contributions. We will thus put everybody on the same basis. I am inclined to think, from conversations I have had with different members of the committee, that the committee will approve such a proposition.

The PRESIDING OFFICER (Mr. GILLET in the chair). The question is on agreeing to the amendment of the committee.

Mr. EDGE. Mr. President, a parliamentary inquiry. I understand now the question is on the committee amendments?

The PRESIDING OFFICER. It is. The amendment will be stated.

The CHIEF CLERK. On page 2, after line 13, the committee proposes to insert the following:

Hackensack River, N. J., in accordance with the report submitted in House Document No. 429, Sixty-ninth Congress, first session, and subject to the conditions set forth in said document.

Mr. REED of Missouri. Mr. President, I am going to vote for the Hackensack River proposal just as it came from the committee. I shall do it with the feeling that the only way to carry on these public improvements is to find in the first place whether they ought to be made and, if so, to make them at the public expense. I shall so vote also because I believe the consensus of opinion in the Senate now is that when we get to the Missouri River project it will be put on the same basis as the Hackensack River project.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. WILLIS. Mr. President, I ask unanimous consent to proceed at this time to the consideration of the committee amendment on page 8, otherwise known as the Illinois River project. I will state the reason for the request.

The matter has been discussed pretty fully for a good many months, extensive hearings have been had, and recently an effort has been made to reach an agreement upon the subject. There were those who were of opinion that the provision in the bill, the committee amendment, gave color to the diversion of water from Lake Michigan. There are some who contend that it did not. After considerable discussion, which has included a number of Members of the House as well as Members of the Senate, those who are opposed to the project as well as those in favor of it, a sort of compromise has been reached in the form of an amendment which, if we are permitted at this time to take up that section of the bill, I shall offer. It

seems to me that the consideration of the bill would be promoted if we could get this matter out of the way. I therefore ask unanimous consent to proceed to the consideration of that item.

Mr. REED of Missouri. Why will the consideration of the bill be promoted by proceeding out of order to consider that particular amendment? How does that affect the other amendments?

Mr. WILLIS. As a matter of fact, it would not be out of order except for the fact that we made an agreement at an earlier time, in order to facilitate the very negotiation of which I have spoken, that this item should be taken up last. I want to be perfectly frank with the Senator. The Senator knows that there are some of us, myself included in the number, who were very strongly opposed to the Illinois River item as it was reported from the committee, and in order that there might be ample time for discussion this unanimous-consent agreement under which we are now proceeding was entered into. Now, it seems to me that, having reached this agreement, in fairness it ought to be carried through. Suppose we do not take up the item now, and suppose that at the last moment something occurs with reference to the amendment which nullifies the agreement which has been entered into. Then those of us who sought to have opportunity to discuss the matter would be entirely precluded because the time will have expired. I have conferred with the Senator from Illinois [Mr. DENEEN] and others, and it seemed to all of us that if we could get this item out of the way now it would facilitate consideration of the bill.

Mr. LENROOT. Mr. President, will the Senator yield for one further suggestion?

Mr. WILLIS. Certainly.

Mr. LENROOT. Unless the understanding which has been reached shall be carried out by action, inasmuch as debate will be limited beginning on Monday, and unless it is disposed of before that time, some of us would feel called upon, in order to protect our rights, to debate the matter at length to-day and to-morrow, which would necessarily delay action on some of the other items.

Mr. REED of Missouri. There are other provisions which are quite as important to some of us as this one. I do not think they will take much time, either, and they are in order now.

Mr. LENROOT. I think we can get through with this in 20 minutes.

Mr. REED of Missouri. All right; if we can get through with it in 20 minutes, I am willing that it shall be taken up now.

Mr. LENROOT. Mr. President, I will say to the Senator that, so far as I am concerned, if the agreement reached shall be carried out, I shall merely desire to make a statement for the RECORD.

Mr. WILLIS. I will consume but very little time.

Mr. JONES of Washington. Mr. President, I will say to the Senator from Missouri that I have no doubt he has in mind the Missouri River project.

Mr. REED of Missouri. Yes.

Mr. JONES of Washington. The report from the War Department of the survey made in 1922, to which I referred this morning, probably has reached the House. I had a copy of the report of the Chief of Engineers put into the RECORD this morning so that Senators would all have it before them. I do not feel like taking the responsibility as chairman of the committee of deciding what should or should not be done with reference to the matter; so I have called a meeting of the committee for to-morrow morning. I anticipate there will be no trouble in disposing of that matter to-morrow, one way or the other. I thought, however, that would be the wise course to take.

Mr. REED of Missouri. That depends entirely on how the matter shall be disposed of.

Mr. JONES of Washington. It will be disposed of by the Senate.

Mr. REED of Missouri. We do not propose to be shut off from the opportunity to discuss this important item on the Missouri River, which affects several States, any more than the gentlemen who are interested in lake transportation and lake diversion desire to be cut off.

Mr. JONES of Washington. No; I do not intend to cut the Senator off.

Mr. REED of Missouri. And I do not want the Missouri River item to go over until to-morrow; I want it taken up. I do not care anything about the report of one engineer. I wish to dispose of it, so far as I am concerned; but if the pending matter can be disposed of in a few minutes' time, I am not going to object.

The PRESIDING OFFICER. The Senator from Missouri asks unanimous consent that the Illinois River provision on page 8 be now taken up. Is there objection?

Mr. SHIPSTEAD. I have not had an opportunity to understand what the proposition of the Senator from Ohio is.

Mr. WILLIS. Of course, it has not been possible to confer with every Member of the Senate in reference to this subject. The Senator from Illinois has had charge of this matter. There has been full conference with him and with the chairman of the committee and with numerous other Senators and Members of the House of Representatives, including those who are opposed to the Illinois project and those who are in favor of it. It is understood that the amendment which I am about to offer is agreeable to all of them, and that, if adopted here, it will be agreed to by the House of Representatives.

Mr. SHIPSTEAD. I do not know the nature of the proposed amendment.

Mr. WILLIS. If the unanimous-consent request which I have made shall be granted, I shall immediately offer the amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Ohio? The Chair hears none.

Mr. WILLIS. Mr. President, I send to the desk the amendment and ask that it may now be read.

The PRESIDING OFFICER. The amendment proposed by the Senator from Ohio will be stated.

The CHIEF CLERK. The committee proposes on page 8, after line 3, to strike out from line 4 to line 14, inclusive, as follows:

Illinois River, Ill., in accordance with the report submitted in Rivers and Harbors Committee Document No. 4, Sixty-ninth Congress, first session, and subject to the conditions set forth in the said document: *Provided*, Nothing in this act shall operate to change the existing status of diversion from Lake Michigan, or change in any way the terms of the permit issued to the sanitary district of Chicago March 3, 1925, by the Secretary of War, but the whole question of diversion from Lake Michigan, for sanitation, navigation, or any other purpose whatsoever, shall remain and be unaffected hereby as if this act had not been passed.

And in lieu thereof to insert:

Illinois River, Ill.: Modification of existing project so as to provide a channel with least dimensions of 9 feet in depth and 200 feet in width from the mouth to Utica: *Provided*, That the State of Illinois transfers to the United States without cost all rights and titles in the two State-owned dams on the Illinois River; and that local interests furnish the United States without cost all necessary areas for the economical disposal of material dredged in creating and maintaining the channel herein and hereby authorized: *Provided further*, That there is hereby authorized to be appropriated for this project a sum not to exceed \$3,500,000.

The Senator from Ohio proposes to insert after the numerals \$3,500,000 the following:

Provided, That nothing in this act shall be construed as authorizing any diversion of water from Lake Michigan.

Mr. WILLIS. Mr. President, I have said all that I care to say. The amendment, I think, speaks for itself.

Mr. LENROOT. I suggest to the Senator from Ohio that the proviso should read "*Provided further*."

Mr. WILLIS. My amendment should come at the end of line 23, though it does not make any difference which proviso is first. If it is to be put at the end of line 25 my amendment should read "*Provided further*."

The substance of the amendment can be placed at either point. It is just as clear as it can be. It reads:

Provided further, That nothing in this act shall be construed as authorizing any diversion of water from Lake Michigan.

I think that needs no further comment, and I hope the amendment will be adopted.

Mr. REED of Missouri. Mr. President, is it the understanding of the Senator from Ohio that if this amendment shall be adopted it will not change the status quo; that whatever right there is of diversion as it now exists will continue to exist after the amendment shall have been adopted?

Mr. WILLIS. Mr. President, of course, I am one of those who believe that there is no right of diversion, but if there be any—that is the Senator's question?

Mr. REED of Missouri. Yes.

Mr. WILLIS. If there be any right of diversion it will not be interfered with by the adoption of the amendment, nor is there any authority to divert granted by the amendment.

Mr. REED of Missouri. In other words, the situation with the amendment in the bill will remain exactly as it now is?

Mr. WILLIS. Precisely.

Mr. REED of Missouri. So that when we shall have passed this bill with the amendment proposed by the committee as amended by the proposal of the Senator from Ohio, whatever right there is of diversion now existing, if any, shall continue unaffected by the language which the Senator proposes?

Mr. WILLIS. It is my contention, Mr. President, that if this amendment shall be adopted to the committee amendment the situation will remain exactly as if this bill had never passed; that there is no right to divert authorized by this bill. The matter is left absolutely intact.

Mr. REED of Missouri. And no right of diversion now existing will be taken away by this bill?

Mr. WILLIS. That is my understanding, if there be any such right, which I do not admit.

Mr. REED of Missouri. Very well.

Mr. WILLIS. But that is not important. I understand the Senator's question and have answered it.

Mr. COPELAND. Mr. President, I hold in my hand a letter from the attorney general of my State calling attention to the fact that the State of New York has filed a complaint with the Supreme Court of the United States asking that the diversion of water from Lake Michigan be stopped. I desire that the letter be inserted at this point in the RECORD and with it a telegram which I have just received from the attorney general, in which he mentions the fact that the newspapers contain references to the proposed suggestion of the Senator from Ohio. The telegram says that if this amendment is agreed to there is no objection on the part of the attorney general of New York State to the enactment of the legislation. I desire this matter to be inserted in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter and telegram are as follows:

STATE OF NEW YORK,
OFFICE OF THE ATTORNEY GENERAL,
Albany, December 11, 1926.

HON. ROYAL S. COPELAND,
United States Senate, Washington, D. C.

MY DEAR SENATOR: Let me call your attention to the provision for the improvement of the lower Illinois River contained in the pending rivers and harbors bill H. R. 11816.

The States of Minnesota, Wisconsin, Michigan, Ohio, Pennsylvania, and New York have filed complaints with the Supreme Court of the United States asking that the diversion of water from Lake Michigan by the State of Illinois and the Chicago Sanitary District be stopped. This action is now pending before Hon. Charles E. Hughes, special master, appointed by the Supreme Court, and the complainants' case has practically been completed. The hearing was adjourned on December 4 until January 10. This provision in the rivers and harbors bill involves not merely the improvement of the Illinois River, but Chicago hopes by having this provision included to urge in the Supreme Court that Congress has recognized a right to divert water from Lake Michigan into the Illinois River.

There is absolutely no necessity for making provision for this improvement by this Congress. It is absolutely certain that the next Congress, and more probably several successive Congresses, will have ample time to provide for any necessary improvement of the lower Illinois to permit of any traffic to or from Chicago through the 64-mile State lock section from Lockport to Utica.

The Illinois section from Lockport to Utica requires the rebuilding of the lock at Lockport and the building of four additional locks. The report of the Chief of Engineers on March 29, 1926, Document No. 4, Sixty-ninth Congress, first session, shows that the rebuilding of the Lockport lock is only about half complete; that the lock at Marseilles has been completed, with the exception of gates and operating machinery, and that no work whatever has been done on the three other locks.

The Board of Engineers on page 5 refers to the 125,000,000 freight tonnage on the Great Lakes and states the savings as at least \$125,000,000 per year. It further states:

"Diversion at Chicago lowers the level of the Lakes and thereby reduces the depths in harbors and channels and the amount of freight that can be carried on large freighters. It has been estimated that the loss on this amount is about \$325,000 per year for each 1,000 cubic feet per second diverted."

Based on the present diversion this would mean an annual loss of between \$3,000,000 and \$4,000,000.

The present old Illinois and Michigan shallow barge canal from Utica to Lockport carried less than 10,000 tons in 1925, and the entire lower Illinois River section carried only 98,000 tons in the same year. Traffic on the lower Illinois River was thus far less than one-thousandth part of the traffic on the Great Lakes, and that between Utica and Lockport (in the State of Illinois) is now less than one ten-thousandth part of the Great Lakes traffic.

The State of New York, as well as the other complaining States, insists that the highest court in the land should be permitted to decide whether or no the abstraction of water from Lake Michigan by the State of Illinois and the Chicago Sanitary District, and the diversion of such water from the Great Lakes system to the Illinois and Mississippi Rivers, shall be permitted to continue, and that this question should be decided before Congress takes any action in the matter. It seems to me that our position is justified, because, as I have pointed out, action by the present Congress is not necessary, nor is it proper, because the proposed deepening to 9 feet of the 230-mile lower section of the Illinois River from a present depth of 7 feet is wholly useless with a depth of only 6 feet up the Mississippi from the mouth of the Illinois and a like depth of only 6 feet down the Mississippi to St. Louis.

Unless the State of Illinois completes the building of the four new locks and rebuilds the 41-foot lock at Lockport, hereinbefore referred to, and unless the Mississippi is deepened from 6 feet to 9 feet, the expenditure of any money by the Government, as proposed in the pending rivers and harbors bill, would be the grossest kind of extravagance and waste.

The passage of the rivers and harbors bill with this provision relative to the Illinois waterway, hereinabove referred to, would seriously interfere with the navigation, property, and power rights of the State of New York.

I therefore urgently ask you to oppose the present provision in the pending rivers and harbors bill for the improvement of the Illinois River from its mouth to Utica, and respectfully ask that you use your very best efforts to have such provision stricken from the bill.

With kindest regards, I am,

Very truly yours,

ALBERT OTTINGER,
Attorney General.

ALBANY, N. Y., December 17, 1926.

HON. ROYAL S. COPELAND,
United States Senate.

Newspapers state is planned to amend rivers and harbors bill by adding "that nothing in this act shall be construed as authorizing any diversion whatsoever of water from Lake Michigan." With this amendment, bill would not endanger New York's action against Chicago.

ALBERT OTTINGER,
Attorney General.

Mr. DENEEN. Mr. President, as has been stated by the senior Senator from Ohio [Mr. WILLIS], conferences were held among those who are interested in the Illinois project in the House and this amendment was agreed to. I submitted the matter to General Jadwin, Chief of Engineers, and he sent me a letter which I desire to have read and incorporated in the RECORD as a part of my remarks.

The PRESIDING OFFICER. Without objection, the Secretary will read as requested.

The Chief Clerk read as follows:

DECEMBER 17, 1926.

HON. CHARLES S. DENEEN,
United States Senate, Washington, D. C.

MY DEAR SENATOR:

1. In response to your oral request I beg to advise you as follows:

2. The present diversion of water from Lake Michigan by the Sanitary District of Chicago was authorized by the Secretary of War and the Chief of Engineers by a permit issued March 3, 1925, in pursuance of authority conferred on them by section 10 of the river and harbor act of March 3, 1899.

3. I understand that in connection with the pending river and harbor bill you have under consideration a proposed provision reading substantially as follows:

"Illinois River, Ill.: Modification of existing project so as to provide a channel with least dimensions of 9 feet in depth and 200 feet in width from the mouth to Utica: *Provided*, That the State of Illinois transfers to the United States, without cost, all rights and titles in the two State-owned dams on the Illinois River; and that local interests furnish the United States, without cost, all necessary areas for the economical disposal of material dredged in creating and maintaining the channel herein and hereby authorized: *Provided further*, That there is hereby authorized to be appropriated for this project a sum not to exceed \$3,500,000: *And provided further*, That nothing in this act shall be construed as authorizing any diversion of water from Lake Michigan."

4. In the opinion of this office the foregoing provision, if enacted, will in no wise affect or change the status or terms of the aforesaid permit to the Sanitary District of Chicago. Nor, in our judgment, will it be held by the courts to abridge or nullify the authority now vested in the Chief of Engineers and Secretary of War by section 10 of the act of March 3, 1899.

Very truly yours,

EDGAR JADWIN,
Major General, Chief of Engineers.

Mr. DENEEN. Mr. President, I agree to the amendment which has been proposed, with the understanding set forth in the letter from General Jadwin which has just been read, and the statements made by the senior Senator from Missouri [Mr. REED] and the senior Senator from Ohio [Mr. WILLIS] that this proviso does not affect in any way the right of diversion from the Great Lakes to the Illinois River.

Mr. LENROOT. Mr. President, in view of the understanding which has been reached, I desire to make for the RECORD a brief statement of the admitted facts. I shall speak in no controversial spirit whatever, but because I think a statement may be helpful possibly in the future if any question should arise as to the intent of Congress in the action it now proposes to take.

Mr. President, in 1900 the Chicago Sanitary Canal was opened by diverting water from Lake Michigan under a permit granted by the Secretary of War. The amount of the water thus diverted was finally fixed at 4,167 cubic second-feet. Applications for a larger amount of diversion were made to the War Department, but were denied. The Sanitary District of Illinois, however, did divert a larger amount. An action was thereupon brought by the United States Government against the sanitary district to enjoin the larger diversion. That action was pending in the District Court for Illinois for many years, and was finally decided; and in January, 1925, the Supreme Court of the United States decided in favor of the Government and against the sanitary district. Thereupon, on application, the Secretary of War gave to the sanitary district a temporary permit for the abstraction of 8,500 cubic second-feet, which should be gradually diminished, giving Chicago, or the sanitary district, an opportunity to provide a different method of sewage disposal. So far as the Government is concerned there the matter now rests.

The State of Wisconsin, all the Lake States joining, brought an action in the Supreme Court of the United States to enjoin the State of Illinois from any diversion. That action is now pending. Ex-Secretary of State Hughes has been named by the Supreme Court as a referee to take testimony, and he is now engaged in that duty.

The State of New York, as stated by the Senator from New York [Mr. COPELAND], has brought a separate action seeking to accomplish the same object. In these actions there are involved very many and very important questions. Perhaps the primary one is the right of one State to divert water from a lake or river the water of which in its natural state is common to other States. Another question involved is that of the legality of the permit granted by the Secretary of War in the first instance, allowing a diversion of 4,167 cubic second-feet, and the like permit issued after the decision of the Supreme Court. Then the still larger question is involved as to the right even of Congress to permit the diversion of navigable waters from one watershed to another watershed.

So far as the last question is concerned, no action by Congress upon the matter of diversion could have any bearing; but upon the two other questions—namely, the relative rights of the States and the legality of the permit issued by the Secretary of War—any action taken by Congress respecting the matter of diversion would have a direct bearing upon that question. In other words, if Congress has the right to provide for the diversion of navigable waters from one watershed to another, a very different question then is presented, because the right of Congress with reference to navigation is superior to that of the States, and any rights that the States may have would be subordinate to the superior rights of Congress with regard to navigation. So those who are opposed to the Chicago diversion—and I may say that the reason for the opposition is that it is admitted that that diversion has lowered the level of the Great Lakes from 5 to 6 inches, causing an estimated annual loss of some \$3,000,000 to commerce upon the Great Lakes—have been greatly concerned that no language should be incorporated in this bill in reference to the Illinois River project that would affect, one way or the other, that question of diversion.

We have no objection to the improvement of the Illinois River; but we have objected and we have strenuously fought before the Committee on Commerce against any language that might be incorporated in the bill that might be used by the friends of the diversion—in other words, the State of Illinois—for the purpose of defeating this lawsuit.

The Senator from Illinois and those who are joining with him in his efforts repeatedly stated before the committee that they had no desire to bring that question into this bill; that this was a simple question of improvement of the Illinois River, which might be improved without any diversion, and it would be competent for Congress so to provide; and all that

was desired by those of us representing the Lake States was that there be incorporated in this bill nothing that would prejudice in any way these actions in the Supreme Court.

The Committee on Commerce, fully in sympathy with that view, reported the amendment which is found in the bill. May I say that we felt that there was very great danger that with the language of the House amendment in the bill there was an authorization of diversion. The Committee on Commerce reported the amendment which Senators will find in the bill; but on careful reading of the amendment we felt that there was still a very serious question as to whether diversion would not be authorized. So, finally, after many negotiations, we agreed upon the further amendment which the Senator from Ohio has now presented, providing that nothing in the act contained shall be deemed to authorize any diversion of the waters from Lake Michigan. If that amendment is agreed to, and the Senate amendment as thus amended shall be adopted and become a part of the law, it will leave the question of diversion of the waters of Lake Michigan exactly as it is now. As stated by the Senator from Missouri, neither those who are opposed to diversion can get any advantage out of this bill, nor those who are in favor of diversion can secure any advantage. It leaves the matter, in all its legal aspects, just as if the bill never had passed.

Mr. NORRIS. Mr. President, I feel as though I should like to say just a few words on this proposition.

In the first place, I confess that I have not given to this particular part of the bill the attention that I know it deserves, especially if one wanted to participate in the debate that it naturally would bring about. That, however, has been from no lack of desire on my part to become familiar with the proposition involved, but entirely on account of a lack of time to take it up.

Since an agreement has been reached and the matter will not be discussed as fully as I anticipated, and, therefore, information that I supposed I would get during the discussion will not come to me, I feel as though I should like to say just a few words to explain my position on this important amendment.

I deem it a very important amendment, a very important provision of the bill. I shall not, of course, interfere with the agreement which has been reached by those who have given it much more attention than I have. The effect of the agreement, as outlined both by the Senator from Ohio and by the Senator from Wisconsin, is perfectly satisfactory to me.

In the first place, Mr. President, I want to say that if it could be legally and rightly done, nobody would favor more than I would any legislation that would bring about navigation from the Great Lakes to the Gulf. I think it would be a very material benefit to the entire country, and particularly to the great Middle West, if we could have a waterway connecting the Lakes and the Gulf. But, Mr. President, if that can not be done without doing an injustice to some one, to some State, or to some country—an injustice that can not be remedied or that we have no legal right to perpetrate—then, even though the country in which I am particularly interested would get vast benefits out of it, I would not vote to bring about such navigation. I think there is a question involved in taking the water out of Lake Michigan and diverting it to a different watershed which under the common law, which is much older than our country, makes the proposition very difficult, unless all the parties interested are agreeable to such diversion.

However much it might benefit the country in the way of navigation and transportation if that could be done, if it would do an injustice to some of the States by taking away from them a legal right that they possess in their commerce and in their business maintainable on account of a certain level of the Great Lakes, then we ought not to do it, however great might be the benefit to somebody else.

I think another question is involved here that is international in its scope. As important as are these States having harbors on the Great Lakes, and which are objecting because they do not want the water lowered in their harbors, about which great cities have been built up and millions of dollars' worth of commerce has been brought about, Canada, with cities on the other side of these same Lakes, with a diversion at the Niagara River where quantities of water are taken out for power purposes, has rights that I think are directly connected with the diversion of water at Chicago; and it has always seemed to me that if we did that without the consent of Canada, without first entering into a treaty by which we will get her consent to do this, we have no right to do it as a matter of international law, however great might be the benefits to our own country.

Every gallon of water that comes out of Lake Michigan means that there will be 1 gallon less going over Niagara Falls; and it seems to me that before we take any steps that might infringe upon the rights of our neighboring country

on the north we ought to be sure we are going to do it in a way that will be satisfactory to her, or that will compensate her by giving her, perhaps, a larger right to divert water than she has now. In other words, it seems to me that we ought not to divert any water from the Great Lakes to a different watershed without the consent not only of the States but of neighboring nations as well.

These are only ideas that I have had without an examination of the bill itself. They are general in their scope; and I did not know, when we commenced the consideration of this bill, whether my ideas would be sufficiently explained in the course of the debate so as to permit me even to vote for the bill on its final passage. If the amendment has the effect which it is claimed by both sides to have, then the passage of this bill will in no way affect the legal rights either of the Canadian Government or of the States. I should like to have confirmation of that, as far as the Canadian Government is concerned, because so far in the discussion the rights of these several States only have been considered. I should like to ask the Senator from Wisconsin if he thinks I am justified in my conclusion.

Mr. LENROOT. I do; because, of course, the Canadian complaint—and I may say that they do complain that the treaty now existing is being violated by reason of the diversion at Chicago—must be against our Government.

Mr. NORRIS. Yes; I understand so.

Mr. LENROOT. And when we say in this bill that we do not authorize any diversion by reason of it, it covers the matter.

Mr. NORRIS. It seems to me that it does.

Mr. REED of Missouri. Mr. President, I do not want to prolong this discussion, but I do not want the matter to rest just in this situation.

There is a contention by the Canadian Government that water is being improperly diverted. There is a contention, upon the other hand, that under treaties already agreed upon the diversion is authorized. I am not going to say which is right; but I want it understood that that question is raised and urged, and there are many other considerations which we can not take up to-day.

Mr. KING. Mr. President, I was necessarily called from the Chamber for a few moments, and I rise for information.

One of the controverted questions presented to the Senate, growing out of the measure before us, related to the alleged diversion of water from the Great Lakes through the Illinois River into the Mississippi River. I understood that that was to be the subject of a royal battle between the able Senator from Ohio [Mr. WILLIS] and his associates, including the Senator from Wisconsin [Mr. LENROOT], the Senator from Illinois [Mr. DENEEN], and others. I have heard that some agreement has been entered into that would avoid that controversy; but I have been informed that the agreement as entered into does not prevent the diversion of water from the Great Lakes, possibly lowering the level of the water in the Great Lakes, and that it will merely postpone a controversy which will become more acute as the years go by, and which, if it is ever settled at all, ought to be settled now.

I ask the Senator from Ohio just what the terms of this proposed agreement are, how it affects our treaty with Canada, and what the general effect or the particular effect will be upon the Great Lakes?

Mr. WILLIS. Mr. President, the Senator was unavoidably absent from the Chamber when this matter was brought up or he would not now be asking the question, because he always pays the best of attention to the reading of amendments.

The amendment which is before the Senate is in the following language:

Provided, That nothing in this act shall be construed as authorizing any diversion of water from Lake Michigan.

That is as clear as it can be made. As I stated while the Senator was out, there were those who felt that the House provision already authorized diversion. Some claimed that it did not. There were those of us who felt that the amendment proposed by the Senate Committee on Commerce, and to which this is offered as an amendment, did not authorize diversion. There were some who felt that it did authorize diversion. I was one of that number. But there has been discussion amongst the friends of this provision and those opposed to it, not only here but in the body at the other end of the Capitol, both the friends and the opponents of the project, and this was agreed upon as stating clearly the effect of this legislation, that, so far as this bill is concerned, if it shall be passed in the form we now recommend, it shall not be construed as authorizing any diversion of water from Lake Michigan. Have I answered the Senator's question?

Mr. KING. I would like to ask the Senator regarding the amendment which he has just offered, and which I suppose has the concurrence of all who are acutely interested in the controversy—

Mr. WILLIS. It has.

Mr. KING. Does it not legalize any former diversions from Lake Michigan?

Mr. WILLIS. It does not. It leaves that just as if the pending river and harbor bill had never been drawn. It has no effect whatever.

Mr. KING. It certainly could present the question of estoppel. If Congress, legislating for the United States, is advised of the fact that diversions have been made in the past, and are now being made, which may lead to controversy with Canada, which may lower the lake, may result in injury to the riparian owners upon all of the Great Lakes, and says nothing about it, but passes legislation, including the amendment offered by the Senator, which has just been read, it seems to me that somebody could claim in the future that there was ground or justification for asserting that Congress ratified, approved, condoned, whatever previous trespasses—and I do not mean to use that in a harsh sense—may have been committed with reference to the diversion of water from the Great Lakes.

Mr. WILLIS. I think the Senator, upon giving the matter further consideration, would not hold to that view. From a study that has been rather careful for six or eight months, and extensive hearings, I am sure, as nearly as I can be sure of anything, that this amendment simply saves the situation so far as this legislation is concerned, and does not ratify any diversion that may now be taking place or that may have heretofore taken place.

Mr. LENROOT. Mr. President, may I interrupt the Senator?

Mr. WILLIS. Certainly.

Mr. LENROOT. May I suggest to the Senator from Utah that there can be no question of estoppel, because the Government has asserted its rights. The Supreme Court passed upon that as late as January, 1925. The later action of the War Department was an assertion of those rights. There is no possibility of any question of estoppel, and what those of us who are opposed to diversion desire is, first, a decision of the Supreme Court in the action now pending. If the Supreme Court shall hold that the Federal Government itself has no right to divert the waters, that would be an end of it. If they shall hold that the States have a right to the waters, but that the Congress, in its right to control navigation, may authorize a diversion, then will come the time for Congress to assert itself and prevent diversion, if a majority think that was a proper action.

Mr. KING. Without assenting to all the legal propositions stated by the Senator, it is clear that the States themselves which are interested, which have riparian rights upon the Great Lakes, could bring suit—

Mr. LENROOT. They have brought suit.

Mr. WILLIS. That is now pending.

Mr. KING. To vindicate their rights and protect their property.

Mr. WILLIS. That is exactly what is pending now.

Mr. KING. I understand; but that indicates that there has been a diversion which is injurious to those States.

Mr. LENROOT. That is admitted.

Mr. KING. Why, in this legislation, should not Congress express itself and legislate?

Mr. WILLIS. That brings up another very interesting question. The Senator understands my position. I am opposed to diversion. But it did not seem that this measure should be delayed for the consideration of that academic question. When the time comes, if it shall come, when there is a proposal for diversion, if I chance still to be a Member of this body, the Senator will find me battling, as valiantly as I may be able to, against the idea of diversion. But I can assure the Senator that this amendment, in its present form, does not authorize any diversion at all from Lake Michigan.

Mr. KING. Of course, I accept the view of the Senator. I am not particularly interested in the controversy between those States other than that I would not desire to have a position taken which might affect our relation with Canada, or which might be injurious to Michigan or Wisconsin, or any others of those States bordering on the Great Lakes.

Mr. WILLIS. This can not possibly affect our relations with Canada.

Mr. KING. My misgivings still exist, notwithstanding the very full statement of the Senator.

Mr. REED of Pennsylvania. Mr. President, Pennsylvania is very much interested in this matter of diversion. Five and a half inches taken from Lake Erie and the Lakes which form the channel to Lake Superior is of the utmost importance to the

State of Pennsylvania. I think the gentlemen who have been most active in the consideration of this amendment have worked out an excellent solution. But there is one question about which I am not quite satisfied, and I would like to ask the Senator from Ohio to clear it up for me if he can.

We say in his amendment, which I hope will be adopted, that this does not authorize any diversion from Lake Michigan. Then we go ahead and make an appropriation of three and a half million dollars for the construction of a channel in the lower Illinois River, according to the recommendations of the Chief of Engineers.

Just briefly I call attention to the last paragraph of the report of Chief of Engineers, appearing on page 8 of the committee report on this matter.

Mr. LENROOT. The Senator will not find in the committee report any reference to the report of the Chief of Engineers.

Mr. REED of Pennsylvania. But it illustrates my point.

Mr. LENROOT. We had a reason for avoiding that.

Mr. REED of Pennsylvania. Perhaps the Senator will be able in one sentence to clear up the doubt under which I am laboring, but I want it to appear in the RECORD.

General Jadwin says in his report as it appears on page 8:

It is understood that Congress, if it approves this recommendation, will thereby have authorized the department to undertake any works covered by the estimates in the table on page 3 of House Document No. 4, Sixty-ninth Congress, first session, which may be necessary in the future to provide a channel of the dimensions specified, and will have authorized the necessary expenditures therefor, up to a limiting total for new work of about \$3,500,000.

That is where the amount in this authorization comes from.

Mr. WILLIS. Yes.

Mr. REED of Pennsylvania. If we turn to the table on page 3 in Document No. 4, we find that the engineers have scheduled a large number of alternative designs for that channel. That includes everything from complete canalization, which means a canal operated by locks and dams, to an open channel, which means clear river bed, with its natural flow; and they have calculated that on a number of volumes of water, beginning with 1,000 cubic feet per second and running up to as high as 10,000 cubic feet per second.

It is perfectly futile for Congress to say that it does not hereby authorize any diversion, if at the same time it authorizes the construction of an open channel which will require 10,000 cubic feet per second for its operation for the purposes of navigation.

I do not want to take too much time on this, but if I may explain parenthetically, four years ago the Senate created a select committee to study the question of a waterway from the Lakes to the Gulf. The late Senator from Illinois, Mr. McCormick, was the chairman of that committee. The Senator from Tennessee [Mr. McKellar], the Senator from Louisiana [Mr. Broussard], I believe the Senator from Indiana [Mr. Watson], although I am not sure, and I myself were the members. When Senator McCormick died I succeeded him as chairman. We made as careful a study as we could of the necessities, from the standpoint of navigation only, of that waterway down the Illinois River, but we found that it was the opinion of the then Chief of Engineers, and it still is of the present Chief of Engineers, that about 1,200 feet per second at Chicago was all it was necessary to divert from the standpoint of navigation.

We are all agreed here in the Senate, or practically so, that there is no justification for a diversion for sewage purposes only. Most of us feel, I hope, that it would be a great internal improvement to have a good waterway connecting the Lakes and the Gulf. It would be a great thing for the Southern States and a great thing for the northern Central States. But we do not need more than 1,200 feet per second to do that, and if we take much more we make an open channel, and we will have such a swift current that the upstream navigation will be very seriously handicapped.

I have talked longer than I meant to, but what I want to ask the Senator is whether it does not seem to him that with the language of the Senate amendment authorizing this construction and not defining the kind of construction to be made, whether locks or open channel, especially when it is based on a statement like that from the Chief of Engineers, that any of these works are to be understood to be authorized, are we not leaving it open for the Corps of Engineers at least to put in an open channel requiring 10,000 cubic feet per second, and if we do that, how can we consistently say to Chicago that we have not, by our action in constructing that open channel, authorized the diversion?

I do not want to have the action of the Senate open to that misunderstanding, if it can be avoided.

Mr. WILLIS. Mr. President, I am very anxious that there be no misunderstanding on that point. It is my judgment that there should not be any.

First. We have very carefully refrained from referring to the documents to which the Senator has referred. If by reference we had incorporated document No. 130, or No. 4, from both of which the Senator has quoted, then there would be foundation for the opinion which he advances.

But it will be noted in the Senate amendment as amended, if the amendment shall be adopted, that there is no reference to those documents. I do not want to get into a discussion of it, but I want to say in conclusion that there is very extensive testimony to the effect that the project here contemplated can be operated by the water which is now in the Illinois River system without the diversion of a quart from Lake Michigan.

Mr. KING. Mr. President, will the Senator permit an inquiry?

Mr. WILLIS. Certainly.

Mr. KING. Conceding that no reference has been made in the bill to the two documents referred to by the Senator, or to the document referred to by the Senator from Pennsylvania, my recollection of the provision as it is found in the bill—and it is not in that respect qualified by the amendment offered by the Senator—is that it requires the improvement of the Illinois River and seems to contemplate that the improvement shall be of such a character as to call for an open stream. If those who are to execute the provisions of the bill or are charged with the responsibility of carrying out those provisions, if it shall be enacted into law, are required to make the improvements called for in the bill upon the Illinois River, will not the bill then be subject to the interpretation placed upon it by the Senator from Pennsylvania; and may not there be that diversion of a larger amount of water than the Senator has in mind, notwithstanding the provision found in the amendment which he has offered?

Mr. WILLIS. If the language had been adopted referring to Document 130, which, in turn, referred to Document No. 4, as I said to the Senator from Pennsylvania, I think there would be some basis for the Senator's fears. But that language is not here and those documents are not incorporated by reference or otherwise. It is noted that it is a modification of the existing project. That really is the project of 1880, which was established long before there was any question of any diversion whatever. I think that the Senator may feel perfectly secure upon the point he has raised.

Mr. LENROOT. Mr. President, let me add a word to what the Senator has said. The considerations urged by the Senator from Pennsylvania [Mr. Reed] were very carefully considered by those of us who have been devoting a great deal of time to the matter. When we learned that the existing project, adopted in 1880, long before there was any thought of diversion of waters from Lake Michigan, provided for a 7-foot project, we became of the opinion that, if there was no reference to any report of the engineer, it was perfectly competent for Congress to deepen or modify the project. That is what the Senate amendment does, merely making it 2 feet deeper, and that is the only effect of the Senate amendment.

In considering this matter reference can not be had, it seems to me, to the report, because if Document No. 130, from which the Senator read, had been adopted, no money could be expended unless the conditions named in the report had been carried out; and one of them, I am frank to say, which was very dangerous, was that no work on the Illinois River should be carried out according to the project outlined with the existing or any subsequent diversion until the Secretary of War and Chief of Engineers should have received satisfactory assurances that local interests would at the same time provide an equal depth for through navigation of the Illinois waterway. As the committee amendment now stands, it merely provides for the deepening of the channel from the mouth to Utica. We can utilize it if there is never a drop of diversion from Lake Michigan.

Mr. REED of Pennsylvania. Mr. President, I am agreed with all that; but is there anything in the amendment which would restrain the Chief of Engineers, if he felt so disposed, from going ahead and making an open channel 9 feet in depth which would require for successful operation 10,000 cubic feet a second at Chicago? I am of one mind with the Senator in what he is trying to do. I am only trying to make sure that he has safeguarded his own case.

Mr. LENROOT. May I say here that the Senator will probably find in the table giving the estimate of cost that it was based, first, upon 10,000 feet, and then upon 20,000 feet of water, and also the cost of higher diversion.

Mr. REED of Pennsylvania. That is true.

Mr. LENROOT. As a matter of abundant precaution, I insisted on that which I usually do not do, that the largest appropriation be authorized here for \$3,500,000, which at most would mean that the least possible diversion, if any, of water from Lake Michigan should be utilized.

Mr. REED of Pennsylvania. I see by looking at the table that an open channel can be secured for about \$3,500,000, with the use of 4,167 feet of water.

Mr. LENROOT. What is the cost for 2,000 feet?

Mr. REED of Pennsylvania. At 2,000 we could get partial canalization for \$2,600,000, partial canalization for \$5,100,000, and open channel for \$6,050,000. The figures do not match. The figures of the authorization do not exactly match any estimate in the table.

May I suggest this? It may be an impracticable suggestion, but it seems to me it would take care of the apprehension that some of us feel. In the Senate committee amendment, in line 16, immediately after the word "channel," insert the words "with locks and dams." We would thus negative any of the open-channel propositions which would require so much more water. Everybody expects to use these locks and dams, it is said. Why not put the words in? There are propositions, I understand, for taking them out so as to make an open channel that will need more water.

Mr. WILLIS. I hope that suggestion will not be pressed, because I do not believe it is necessary. I very much fear that the compromise we have entered into might not go through, and perhaps the whole matter would be thrown into a discussion which might very seriously delay consideration of the bill. I really do not think there is a substantial basis for the fears which the Senator entertains. We have gone over that matter pretty thoroughly. I perfectly feel secure upon that point.

Mr. KING. Mr. President, I regret, of course, to interpose in a matter which is apparently so foreign to any interest of the section of the country in which I reside; but I ask the Senator again what restrictive language is there in the amendment offered by the Senator or in the amendment offered by the Senate committee that would prohibit the withdrawal of so large an amount from the lake as indicated by the Senator from Pennsylvania or from making a channel of such a character, within the appropriation of \$3,500,000, as to carry a current which would take from the lakes a much larger amount of water than the Senator thinks will be withdrawn?

Mr. WILLIS. I have tried to answer that question heretofore and I again say to the Senator that I think there is language in the bill which absolutely prohibits any diversion whatever. If, as a result of a decision by the court, that question shall come here, I shall be advocating the proposition. But it did not seem fair to bring that question into the discussion of the bill. We thought we had sufficiently, indeed, fully protected the interests of those who desire to maintain lake levels by providing that as a result of this measure there should be no diversion whatever from Lake Michigan.

Mr. REED of Missouri. Mr. President, may I make an inquiry? We agreed to take up this amendment out of order with the understanding that it was going to take 20 minutes.

Mr. WILLIS. I have been ready for the last 20 minutes to vote.

Mr. REED of Missouri. We are apparently about to take up the Canadian treaty. If we get into a discussion of that I can talk on it a week myself. I have some idea the American people have some rights to that water as well as the Canadian people. I am prepared to discuss it when we get to it. But we are asking here merely for authority to widen the channel of a river. The sole question of how it shall be done will be passed on when we come to appropriate the money. This bill carries no appropriation. It merely authorizes the carrying of an item in the next bill.

Mr. WILLIS. The Senator will do me the credit to remember that I have not prolonged the discussion.

Mr. KING. If we authorize the appropriation, obviously we expect that we will subsequently make it. If we authorize an appropriation for the purpose of widening a river, obviously the intention is that the river shall be widened to the extent authorized, regardless of whether it will require more water than is normally carried in the river.

Mr. REED of Missouri. But whether it will be widened and have locks and dams in it which would provide for a certain amount of water, or whether it will be an open channel, is a question still open which can be decided when the appropriation bill is before us. This is a very grave problem and involves many questions. This is a matter which I thought had been agreed upon. I know there is a good deal to be said if we should get into a debate on Canadian rights. I think the best

thing we can do is to let the court settle first what the law is in the case there now, and then we can settle the question of what we shall do. This bill does nothing but authorize the deepening of a channel, and then we can hereafter take care of the question of how we are to use that channel.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Ohio to the committee amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. JONES of Washington. Mr. President, before we take up the amendments in the regular order, I ask unanimous consent that the amendment dealing with the Missouri River may go over until to-morrow, with the understanding that we will take up these other amendments to the bill, except that relating to Cape Cod, and with the understanding that when we resume consideration of the river and harbor bill to-morrow we will begin with the Missouri River item.

The VICE PRESIDENT. Is there objection to the request of the Senator from Washington? The Chair hears none, and it is so ordered.

Mr. JONES of Washington. The next amendment is on page 4.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 4, after line 24, insert:

Little Caillon Bayou, La., in accordance with the report submitted in Rivers and Harbors Committee Document No. 5, Sixty-ninth Congress, first session, and subject to the conditions set forth in said report.

Mr. JONES of Washington. Mr. President, this channel is now 2 feet deep, and with that depth there is some 79,000 tons of freight that goes through a very prosperous and very attractive section of the country. The project here provides for a depth of 5 feet and 40 feet wide.

Mr. WILLIS. Mr. President, I should like to hear some explanation by the Senator from Louisiana [Mr. RANSDELL]. The unusual character of the improvement will elicit some attention in the country, being the very matter to which the chairman of the committee just called attention, the fact that this is a stream but 2 feet deep. I remember upon one occasion here a good deal of rather ridiculous discussion was had because of an improvement that was referred to in the engineers' report in 1924 providing for an improvement in the stream which was 1.3 feet deep, and providing it for pole boats. This is not such an improvement, but I think it ought to be explained by the Senator.

Mr. RANSDELL. Mr. President, I shall be glad to make a brief explanation. This matter has been so ably worked out by the engineers in charge of the work that I shall answer the inquiry of the Senator from Ohio by reading from their report, at page 5, as follows:

Little Caillon Bayou is a tidal stream in southeastern Louisiana, having its source in Bayou Terrebonne, about 4½ miles below Houma, La., and emptying in Terrebonne Bay. It is not under improvement by the United States, but a project was recommended in 1922 for a channel 5 feet deep and 40 feet wide from the head of the bayou to Robinson Canal, a distance of about 20 miles, at an estimated cost of \$85,000, subject to certain conditions of local cooperation, including a cash contribution of one-half the first cost of the work. Congress has taken no action on this recommendation, which was printed in the House document referred to in the above resolution. Local interests desire that the conditions of local cooperation be modified.

The district engineer reports that this bayou is the main transportation facility for one of the richest and most thickly populated farming regions of the State. The present governing depth of about 2 feet, which has been obtained by private dredging, is not adequate for the needs of navigation, particularly since the mean range of tide in the section under consideration is but 3 to 6 inches. Even with this limited depth, however, a commerce of 79,000 tons was moved over the waterway in 1925, the principal items being sugar cane, sugar, oysters, shrimp, and miscellaneous merchandise.

Mr. President and Senators, those of us who are accustomed to considering deep waterways can hardly conceive how a little stream with only 2 feet of dependable depth and a tide of from 3 to 6 inches can handle a great commerce like this. I was down at the city of Houma, La., some years ago. It is located on the banks of Bayou Terrebonne. I was then told by a most reliable man that at that time there were 1,000 boats plying on the Bayou Terrebonne—and a very large commerce. I thought to myself, "This is very remarkable; if I were a first-class athlete, I could take a running jump and pretty nearly leap across the Terrebonne by the aid of a pole." It is a very short distance from the Gulf. There is a big commerce there in oysters, shrimp, sugar cane, sugar, and other articles of that kind. The boats are not large; they are gasoline boats and run readily in shallow water. None of them carries very

much, but, Mr. President, in the aggregate they carry a large quantity of commerce and it is very valuable. One of the most important shrimp-packing establishments in America is located at the city of Houma. Many of the finest oysters of America are brought into that city on Little Caillou Bayou and Bayou Terrebonne. It is a most valuable commerce, and the locality is close to the Gulf.

How could there be any local contribution? The people who ply that bayou do not live on its banks, but go up and down the stream from the interior points. They do not live on the bayou; it is near the Gulf, in the marsh region, and the people who use it do not live on it.

This project is unquestionably a worthy one. It is approved by all of the engineers—district, division, Board of Engineers, and Chief. It will cost to complete it the sum of only \$85,000. Senators, it is ridiculous, it seems to me, to question this appropriation for this stream, which is such an important one, when the amount is so very small, and the end to be gained is so thoroughly worthy in every way. I am sure the Senator from the State of Ohio, with its hundred million dollar stream along its southern borders and its many millions of improvements on its lake shores, with the great harbors for which I have been glad to vote large appropriations and have aided as much as I possibly could during the 28 years of my service in Congress—the Senator from Ohio, I say, will not have the heart seriously to oppose this little item for the State of Louisiana, when it is proven by the reports of the engineers to be so thoroughly worthy as it is.

Mr. WILLIS. Mr. President, nobody in the world could resist such an appeal as that which has just been made by the Senator from Louisiana. I am perfectly willing to have a vote now.

Mr. RANDELL. I thank the Senator from Ohio very much.

Mr. KING. Mr. President, I do not want to interfere with the Senator, but in my own turn I shall take the floor.

Mr. RANDELL. I shall be delighted to hear the Senator from Utah. I am through for the present.

The PRESIDING OFFICER (Mr. Goff in the chair). Does the Senator from Utah desire to be heard upon this item?

Mr. KING. Yes.

Mr. President, I understand that House Document No. 5, Sixty-ninth Congress, first session, contained a provision that a part of the expense contemplated by the item now under consideration was to be borne by the abutting property owners or by local interests.

Mr. RANDELL. That provision was subsequently amended. The engineer recommended that it be withdrawn and that the Government pay the expense.

Mr. KING. I know that it is recommended in the report from which the Senator just read; but the document, as I understand, calls for a contribution by local interests of 50 per cent of the entire cost of the project.

Mr. RANDELL. I shall have to get the report to which the Senator from Utah refers. My understanding is that it did originally call for that, but that in a subsequent document that was changed.

Mr. KING. Mr. President, I had supposed that by this time all of the bayous, inlets, creeks, rivulets, swamps, and microscopic streams, particularly in the South, and in the Atlantic and New England States, had been adequately cared for. For many years Congress made liberal appropriations for hundreds of so-called waterways which would come under the classification of microscopic streams. But we are now advised by the bill which is before us that literally hundreds of other rivulets and springs and insignificant streams have been discovered and they are to be cared for and appropriations are to be made in order that they may carry upon their majestic and turbulent bosoms a few sticks and logs and, perhaps, a few tons of sand and gravel. And all this is done under the guise of promoting commerce and developing the rivers and harbors of our country.

The item now before the Senate relates to a little bayou in Louisiana, used by a few persons who have riparian rights upon the same. It will be claimed, of course, by the advocates of this bill—and they are numerous—because many States of the Union are linked together in the effort to secure the passage of this measure, that the appropriation for this bayou is highly important, that it is so indispensable to commerce that even if it is not an interstate stream—

Mr. RANDELL. It is not an interstate stream; it is an intrastate stream.

Mr. KING. Congress is not only justified but it is its imperative duty to spend thousands of dollars to develop it and to spend annually large sums of money for all time to come.

Mr. RANDELL. This bayou is wholly within the State of Louisiana.

Mr. KING. Mr. President, there are many who have been advocating rivers and harbors bills for years who appear to have been wholly indifferent whether the streams were interstate or intrastate or carried commerce or would ever be of importance to the industrial and commercial life of the people. I submit that an examination of the hundreds of projects that have been developed and are being maintained by the Federal Government will demonstrate that a considerable portion were useless, so far as commerce is concerned, and were only beneficial to the communities in which they are found because of the employment which it gave either to local or other contractors, resulting in the expenditure of Federal moneys in such localities.

The bayou which it is proposed shall be deepened is shown by the report which is before us, to carry 70,000 tons of freight per annum. This freight consists of the cane and other products of those who live upon or near the bayou. I repeat, the project is purely local. It is not related to interstate commerce, and the work which is to be done is to serve a limited number of people and aid them in transporting their crops. The amount carried is insignificant. There are farms in some of the States that produce as much tonnage as is carried by this bayou. I know of mines in some of the Mountain States which yield forty to fifty thousand tons of ore per day, which are carried by railroads built by the owners of the mines from the place of extraction to smelters and mills some distance away. The Government does not aid in transporting the ore. The mine owners built the railroads or secured other means of transportation in order to treat the products of their mines and extract the precious metals therefrom.

Congress has no greater obligation to aid those living upon these little creeks, streams, and bayous in carrying their logs and gravel and sand and cane than it has to aid the miners in hauling ores from their properties to the mills and smelters for treatment.

Mr. President, in my opinion Congress has acted improvidently in dealing with so-called rivers and harbors projects. It is no wonder that measures which have appropriated tens of millions of dollars for rivers and harbors have often been denounced as "pork-barrel" bills. Many writers of repute have examined, from time to time, appropriation bills carrying large sums for our waterways, and have pointed out the waste and improvidence of Congress in enacting such measures. Many newspapers of standing have denounced the "logrolling" which has brought about the passage of rivers and harbors bills, and from time to time in the Senate and also in the other branch of Congress valid criticisms have been made of many items, and the method of dealing by Congress with rivers and harbors has been justly condemned. I have before me House documents and many reports showing appropriations made for rivers and harbors aggregating considerably over \$1,000,000,000, and literally hundreds of projects upon which expenditures have been made—projects which were unworthy of the attention of Congress. These reports show that little streams, inconspicuous and inconsequential, and little creeks and bayous and hidden waterways, have received large appropriations aggregating tens of millions of dollars.

Upon many of these so-called streams there have been no boats, nor rafts, no barges, nor agencies for conveying freight, and only occasionally were a few small sticks or timbers or logs floated thereon. Upon many others, narrow and of but 2 or 3 feet in depth, a few little boats, owned by persons living upon the streams, have been used to convey limited quantities of sand or gravel for short distances. And yet there are scores of projects of this character which have been foisted upon the Federal Government.

I repeat, I had supposed that the end had come, that the list had been exhausted, that no further appropriations would be asked for these microscopic streams, and that practically all had been discovered and cared for in the appropriation bills during the past 100 years. But in the bill before us we find page after page of new projects, demands made for the development of additional rivulets and creeks and swamps and bayous, wholly unimportant—many of them unknown except by a few persons living in the immediate vicinity of the same.

This bill, if enacted into law, will commit the Government to the development of scores of these new projects, at a cost of tens of millions of dollars for their construction and an annual charge for an indefinite period of millions of dollars more. I submit that this bill is unjust, unfair, and unworthy in its present form of this legislative body. It is unfair to the taxpayers of the United States. It is filled with benefactions and gifts, if not bounties and subsidies, to those persons living upon or near these insignificant streams and creeks and channels, and which this bill so tenderly and lovingly caresses and embraces.

As a matter of fact, no one knows what these projects will cost and no one knows what the maintenance of the same will be. But any person who examines many of them, I feel sure will reach the conclusion that they are wholly unnecessary, that they are not required by the country, and that their development and construction will result in waste and injury to the country.

Let me call attention very briefly to a few of the items in the bill: Hackensack River, N. J.; a channel to Newport News; waterway from Beaufort, N. C., to Cape Fear, at a cost of nearly \$6,000,000 and a charge of \$150,000 annually for maintenance; Charleston Harbor, which a committee of the Senate several years ago recommended should be abandoned as a navy yard; Ship Island Pass, Miss.; little Caillou Bayou, which we are now considering; Bayou Bonfouca, La., which, as I now recall, is a sort of a sister in littleness and unimportance to the bayou which we are now discussing.

Hundreds of millions have been expended for harbors, but we are now to have a canal from Maine to Mexico inside the harbors and along the coasts. It is not sufficient to have harbors and for States to have an outlook upon the ocean and the Gulf, but hundreds of millions are to be expended in intercoastal canals.

And so in the bill before us a large sum is to be devoted to the intercoastal waterway in Louisiana and Texas. Galveston Channel is to be provided for, and millions are to be devoted to the Mississippi and Missouri Rivers, though more than \$100,000,000 have been expended thereon and the commerce borne upon these rivers is less now than it was before the Civil War.

We come to the projects Mill Creek and South Slough in Illinois. They are highly important and will carry probably a stupendous tonnage of three or four thousand annually.

The San Joaquin River and Stockton Channel of California are to be cared for, and the Susin Bay is to have a channel 300 feet wide for a long distance. The Sacramento River, which has received enormous appropriations, like a voracious animal, is to receive further large appropriations under the terms of this bill.

The Cape Cod Canal, which was a private enterprise and of no utility, is to be taken over and more than \$11,000,000 devoted to the acquisition of the same.

The State of Maine demands further appropriations, though it has received millions from the Federal Government. There is to be a channel at Parker Head and a channel at the Moosabec Reach.

Massachusetts, as usual, like an incorrigible boy demands more and still more. Some rocks are to be removed and breakwaters are to be built, and in New York, Newtown Creek and Maspeth Creek cry aloud for the golden stream from the Federal Treasury to increase the flow of water in these creeks.

The huge (?) Manasquan River, an inlet in New Jersey, as well as the Shrewsbury River, and the Cold Spring Inlet, and Dennis Creek, and the waterway connecting Newtown Creek with the so-called Cooper River and Mantua Creek—all in New Jersey—streams known throughout the world because of their vastness (?)—they, too, must be cared for and are to receive their share of Federal benefactions.

Then I observe that the great Delaware rivers, such as the Broadkilm River, Mispillion River, and Indian River.

And Maryland has creeks, among them Smith Creek, Ocean City Harbor, Kent Island Narrows, Sinepuxent Bay, and Oak Creek. It is needless to say that they are so indispensably necessary to the country and the commerce of the world that they must be made Federal waterways and have expended for their development no insignificant sums from the Treasury of the United States.

Virginia has been called the "Mother of Presidents." It may be said that she is the mother of creeks and rivulets and little streams, which need the tender nursing of the Federal Government, and so in this bill we have many appropriations for Virginia. A project for enlarging the channel in the Eastern Branch of the so-called Elizabeth River; then Mathews Creek must be provided for, also Nomini Bay and Creek, Tangier Sound, and Mill Creek; the entrance to Willoughby Channel must be constructed, and Carters Creek must be developed, as well as Starlings Creek. Then a channel leading from Oyster to the ocean is highly important and must be developed, as well as a channel from the mouth of the Linkhor River through the narrows. Then Long Creek and Lynn Haven Inlet are selected as worthy to be brought under the paternal control of the United States. Nor is Beach Creek forgotten.

North Carolina has for many years occupied a favored position in rivers and harbors bills. Provision is made in this bill for various channels and for an intercoastal waterway, for

Douglas Bay, for Farr Creek and Devils Gut, and Gardner Creek. If it were not deemed improper, I might observe that perhaps there are other channels and rivulets and microscopic creeks that are so small as to be denominated intestinal. North Carolina has Runyon Creek, which is cared for as well as Smiths Creek and Deep Creek.

Georgia does not lag behind other States. It must have channels, and Jekyll and St. Simons Islands are to be investigated in order to determine the cause of erosions from the islands with a view to providing a plan to prevent such erosion. I suppose it is not known that the islands are surrounded by water, and that the movement of the tides causes erosion. But the Federal Government must care for islands owned, doubtless, by private persons, from erosion. That is highly important for commerce—that is the duty of Congress in the latitudinarian interpretation of the Constitution now adopted; indeed, it is an important function and an inescapable duty of the Federal Government.

Then I observe that Tybee Island suffers from erosions, and the Federal Government is to adopt means to prevent the movement of the tides, or at least if it can not stop the water from flowing it must prevent the land from being washed away.

Florida, the land of sunshine and citrus fruits, has been one of the darlings of Congress. An examination of the various appropriations carried in rivers and harbors bills during the past 25 or 30 years would seem to indicate that Florida consisted of nothing but rivers and harbors and bayous and channels and creeks. One could scarcely believe from the reports submitted and the provisions in rivers and harbors bills that there were sufficient land in Florida to furnish embankments for the creeks.

In this bill Florida again basks in the sunshine of congressional smiles. Provisions are made in the measure before us for new projects in Florida. More harbors are to be developed and additional channels are to be constructed.

Alabama is not forgotten and Texas and Arkansas are not deprived of the opportunity of receiving contributions from the generous pockets of the Federal Government. Illinois and Missouri and West Virginia and Michigan and New York and Oregon and Washington—these States and a few others need not be impatient. As Christmas approaches, Santa Claus will bring to them, through the medium of the bill before us, large sums of money, and they can rejoice with other States because of the generous treatment accorded them by this Congress, the Members of which are not called upon to pay the money which they appropriate.

Mr. President, I recall when I was a Member of the House that in the discussion of a project in the rivers and harbor bill one of the Congressmen, when his State was named, arose and inquired as to the name of the creek which was to be adopted as a Federal project. Upon the Clerk again reading the name of the creek, the Congressman declared that he did not know that such a creek existed in his State. However, the innocence of the Congressman as to the waterways of his State did not for a moment shake the confidence of Congress in the absolute necessity of caring for the creek because of its importance in the great inland waterway system of the country.

Mr. COPELAND. Mr. President—

The PRESIDING OFFICER. Will the Senator from Utah yield to the Senator from New York?

Mr. KING. I yield.

Mr. COPELAND. The Senator referred a few moments ago to Newton Creek and Maspeth Creek, N. Y. Did the Senator happen to know that the navigation of that particular section of the East River is probably as great as that in almost any port in America?

Mr. KING. I knew, of course, that the East River was navigated and carried a large tonnage. I am not aware of the great importance of the creeks referred to by the Senator. I know that the claim is usually made, with respect to all streams for which appropriations are made, that if they have not been employed in commerce and are not used to carry freight, if the Government will care for them and adopt them and expend large sums of money upon them—

It is believed that they will become important carriers of commodities and various kinds of freight.

Mr. President, the American people can not be charged with lack of imagination. One is astonished in reading the many reports of projects which have been adopted to learn of the optimism and vivid imagination of some of the good people of our country.

I have read scores of reports made by engineers, and in many of them the statement is made that "it is anticipated" that "if this project is developed by the Government, it will ultimately be used in carrying considerable freight." And in some of the

reports to which I have referred statements are made to the effect that the local interests promise that if the projects are developed they will make use of them in their business activities. Many industrial plants have been promised and great enterprises envisioned in the meetings which have been held between persons representing contemplated projects and engineers of the Army, when local communities were attempting to secure Federal appropriations to develop streams and springs and bayous and rivulets.

I also recall that in many of the reports, subsequently made, statements appeared that upon some of these streams which had been developed a few logs were floated, or a few tons of sand and gravel were carried, or that hyacinths and lilies had been removed, or snag boats had cut away snags and branches that projected into the water.

However, the appropriations have been made, Congress annually or semiannually appropriating millions until the stupendous sum of more than \$1,300,000,000 has been taken from the Treasury of the United States and expended upon our harbors and streams within the United States. The view seems to prevail that it is the duty of Congress to take over every spring and rivulet and creek and river and waterway, big and little, in every part of the United States; that the States have no rights in the streams or the beds of streams and no authority to control the streams, whether navigable or not navigable.

Mr. WILLIS. Mr. President—

The PRESIDING OFFICER (Mr. SACKETT in the chair). Does the Senator from Utah yield to the Senator from Ohio?

Mr. KING. Yes.

Mr. WILLIS. I wonder whether, in that connection, the attention of the Senator has been drawn to a famous historical project which, while not in this bill at all, illustrates the very thing the Senator is talking about, namely, that under local pressure projects sometimes are recommended and adopted which are perfectly ridiculous.

For example, at page 613 of the Report of the Engineers for 1924 is the following interesting description of a project:

Existing project: This provides for the establishment of a downstream channel 12 to 25 feet in width, navigable during ordinary summer low water for pole boats—

A boat which is pushed along by a man standing in the boat—

drawing 2 feet—

Think of the navigation there!

and of an upstream channel navigable for pole boats drawing 1.3 feet of water.

And the money of the United States of America was appropriated to carry into effect a project to develop a channel for pole boats in a stream 1.3 feet in depth.

Mr. RANDELL. Mr. President, may I ask what stream the Senator is reading about?

Mr. WILLIS. That is not in this bill at all.

Mr. RANDELL. The Senator is reading from the Report of the Engineers for 1924, as I understand.

Mr. WILLIS. I so stated.

Mr. RANDELL. It certainly tells the Senator what river or stream he is talking about.

Mr. WILLIS. Perhaps I did not understand the Senator's question.

Mr. RANDELL. I say, the Senator is reading from the Report of the Chief of Engineers for 1924?

Mr. WILLIS. I am.

Mr. RANDELL. What project was he talking about?

Mr. WILLIS. I did not care to lug that in, but I have no objection. It is not in the Senator's State.

Mr. RANDELL. Oh, well, I care.

Mr. WILLIS. I will give it to the Senator. I am not afraid to give it to the Senator as a matter of public information.

Mr. RANDELL. All right; give it.

Mr. WILLIS. It was the Savannah River. I said it was not in the Senator's State; but it illustrates what the Senator from Utah has been talking about.

Mr. RANDELL. Does the Senator mean the Savannah River in Georgia?

Mr. WILLIS. I suppose it is in Georgia. It was at last accounts. It is not in the Senator's State; it has nothing to do with his State; but it illustrates what the Senator from Utah is talking about.

Mr. RANDELL. Is there anything in that report to show whether or not there was much valuable timber to be floated on that river?

Mr. WILLIS. Naturally, there would be a great deal of valuable timber floated in pole boats on a stream 1.3 feet deep. I imagine it would be heavy ship timber, probably.

Mr. RANDELL. Possibly not, my dear friend; but those rafts might be gathered in the wintertime and floated on the freshets in the spring, and it might be a very valuable commerce. It might be comparable to the case of the Fox River, Wis., which was decided by the Supreme Court of this country to be a navigable stream, subject to the rules governing interstate streams, when nothing but logs could be floated on it in the upper stretches; and I will say to the Senator that those logs were very valuable commerce.

Mr. KING. Mr. President—

Mr. WILLIS. Will the Senator permit me to finish the reading?

Mr. KING. I yield.

Mr. WILLIS. The Senator from Louisiana has made some comments upon this, so I will read it all:

and of an upstream channel navigable for pole boats drawing 1.3 feet of water—

Which, as suggested by my friend from Louisiana, may have carried a tremendous commerce in lumber. That is quite possible.

Mr. RANDELL. Logs.

Mr. WILLIS. I can well imagine the spectacle of polemen pushing great cargoes of lumber down a stream 1.3 feet deep, for which the Government of the United States appropriated \$33,000! It says:

This is to be obtained by removing logs and overhanging trees, excavating rocks, sand, or gravel, and with excavated materials raising the crests of ledges, constructing training walls to increase the flow of water through sluices.

Can the Senator picture that? I am speaking of that merely because it illustrates perfectly what the Senator from Utah is talking about—that we have spent millions upon projects that are worth nothing.

When the time comes I shall put into the RECORD a list of projects that have been abandoned.

Mr. RANDELL. I should like to see the Senator do it. I have heard that story here for the last 28 years. We talk in generalities but we do not put them in the RECORD. I insist, if the Senator from Utah will pardon me one moment, that the rivers and harbors of this country, and the great Engineer Corps, and those Senators and Representatives who stand for this legislation, are entitled to just as much consideration as an ordinary criminal, who, when charged with a crime, is entitled to be served with a copy of the indictment, and that indictment states the time, place, and circumstances when the crime was committed. Now the Senator says that we have spent hundreds of millions on unworthy projects, and that he will put a list of them in the RECORD. I say he can not do it, because the statement is not correct. Let the Senator put them in the RECORD, and I will show that the statement is not correct.

Mr. WILLIS. Mr. President, I will put them in the RECORD. Here is the list now.

Mr. RANDELL. All right; put them in the RECORD.

Mr. WILLIS. I will, in my own time; not in the Senator's time.

Mr. RANDELL. I do not want the Senator's time.

Mr. KING. Mr. President, I hope the Senator from Louisiana will moderate a little the heat which he has exhibited in his remarks.

Mr. RANDELL. There was no heat on my part, sir—not a bit.

Mr. KING. We are discussing a very cool subject—water.

I want to say that Providence was very kind to the engineer referred to by the Senator from Ohio, otherwise he would have been drowned in that great and tumultuous stream which flowed at a depth of 1 foot and 6 inches.

Mr. WILLIS. One and three-tenths feet.

Mr. KING. Mr. President, the Senator from Louisiana has diverted me from the list which I was reading—but I shall return to it in a moment—by his statements, which he says are absolutely devoid of heat; and, of course, I accept his statement. I would not, in a parliamentary or an unparliamentary way, challenge the accuracy of the statement of a Senator; but he affirms with a good deal of zeal and earnestness and, of course, without heat, that there is no proof and that there can be no proof that any of the expenditures made by the Government for rivers and harbors and rivulets and bayous and swamps have been wasted.

I do not agree with the able Senator and share the views expressed by the Senator from Ohio [Mr. WILLIS]. I recall

that soon after I came to the Senate one of the then Senators from Iowa, Mr. Kenyon, repeatedly called attention to the waste and extravagance of the Government in its rivers and harbors projects; and he put into the RECORD, not once but many times, the reports and records of scores of streams and rivulets and creeks and little springs and bayous, which demonstrated beyond peradventure of a doubt that the money appropriated for their development by the Government had been wasted.

I recall that the then Senator from Illinois, Mr. Sherman, stated that the Illinois Canal, upon which \$8,000,000 had been expended, was carrying no freight and that it was of no utility whatever. I remember putting into the RECORD, after a search of the reports made by engineers, a list of projects upon which there was no freight carried and the list of streams upon which millions of dollars in the aggregate had been expended upon which freight was so insignificant as to be unworthy of mention.

I recall that upon some streams the only boats that were employed were devoted to removing the weeds and lilies and hyacinths and bushes that grew up in the water. The streams, of course, were so small that vegetation soon overran them, and if they were not annually cleaned out their banks would have been imperceptible.

Mr. President, it is not the province of Congress to deal with streams of this character. It is not the province of Congress to aid local communities and to develop the rivulets and streams that flow by their doors or to provide waterways to aid them in carrying their products to market. Of course, I do not mean in this statement to include great navigable rivers such as the Mississippi. That river is unique and stands in a class by itself, but I have no hesitancy in saying that Congress has been profligate in its expenditures upon the Mississippi and Missouri Rivers.

Mr. President, the Federal Treasury is not a treasure house to which resort may be had for every project, good, bad, or indifferent, which may be promoted by patriotic or unwise, hysterical, and unpatriotic persons. Congress has no right to appropriate a single dollar for any purpose unless authorized by the Constitution of the United States. The Federal Government does not have plenary powers to deal with every subject and with all questions. Its power is circumscribed; it may tax only for legitimate governmental needs. If it taxes for any other purpose, its acts are illegal and consequently oppressive.

States may, if there are no constitutional inhibitions in their organic acts, make appropriations for internal improvements and to develop streams within their borders. The power of the States is entirely different from the authority of Congress. I protest against the usurpations upon the part of the Federal Government—usurpations which lead to paternalism and which if continued will result in dangerous socialistic experiments. It were well if Congress devoted more scrupulous attention to appropriation bills. It is popular and fashionable to declare that Congress may appropriate Federal moneys for any purpose. This heresy is receiving support from some Democrats and, of course, has become orthodox among many Republicans.

If Congress is not limited in making appropriations, then it is obvious that it is not limited in its power to tax to meet such appropriations. Accepting these premises, then, Congress may take over the functions of the States and make appropriations to meet all of the expenses of the States and of other political subdivisions. Congress may, in this view, embark upon all sorts of paternalistic schemes. It may construct dams, erect hydroelectric plants and sell electrical energy. It may erect factories and mills and plants for the purpose of consuming the electric energy developed in order to produce shoes, clothing, and other articles needed by the people of the United States.

Mr. President, it is time that men in public life as well as the people should become better acquainted with the Constitution of the United States, with its history, its origin, and the limitations found within it. Legislators, if they are not historians, should be familiar with history and with the philosophy of historical development. They should remember the causes which led to the destruction of nations, including democracies and republics, and avoid in legislation the mistakes which have proved so disastrous to States and nations whose melancholy fate is told by historians.

The Senator from Ohio [Mr. WILLIS] a moment ago referred to the local pressure brought to bear in behalf of rivers and harbors projects developed by the United States. Mr. President, an examination of the numerous reports submitted by Government engineers fully supports the statement of the Senator from Ohio. A few years ago I made an exhaustive examination of reports which had been filed in behalf of every project

adopted by the Government. I went back to the days of Washington in order to ascertain what appropriations had been made for rivers and harbors and what projects had been adopted by the Federal Government and the various items for which appropriations had been made. I examined literally thousands of pages, consisting of reports by engineers of the War Department and Congress and hearings in the House and in the Senate, and became acquainted with every project upon which the Federal Government had expended money and the amount expended for the construction and development of the same, and also the amount expended for its maintenance. I discovered in many of the reports and in the hearings that local pressure had been powerfully exerted to compel the approval of projects.

These reports and hearings convinced me that in some instances local pressure and political pressure had brought about favorable reports by engineers after adverse reports had been made by them.

Mr. WILLIS. Mr. President—

The PRESIDING OFFICER. Will the Senator from Utah yield to the Senator from Ohio.

Mr. KING. I yield.

Mr. WILLIS. I wonder whether the Senator knows that in the very bill he is discussing there are several projects that have been recommended for abandonment by the Board of Army Engineers, and which, under resolutions, have already been abandoned, and which are now proposed to be revived and appropriated for?

Mr. KING. I understood that they had recommended the abandonment of some; but what good does it do to recommend abandonment when Congress pays but little or any attention to such recommendations?

What are these appropriations for? Some, of course, are for the benefit of commerce; but many of them are for the benefit of local points, and will not inure to the advantage of the country.

Mr. RANSDELL. Mr. President—

Mr. KING. I yield.

Mr. RANSDELL. I should like to have the Senator kindly name those projects whose abandonment was recommended and for which we are now appropriating. I do not deny that they may be in this bill, but I do not happen to recall any of them, and I usually watch those things pretty closely. I know our general rule is, when the engineers recommend the abandonment of a stream that we abandon it. It is possible that we have overruled them in some cases. We have no such law governing the actions of Congress as that said to exist among the Medes and the Persians. We are independent and we do not always follow the engineers, but we usually do; and I will ask the Senator from Ohio if he will not kindly name the projects whose abandonment was recommended.

Mr. WILLIS. When I come to discuss the matter I will do so. I do not like to inject that into the body of the speech of the Senator from Utah.

Mr. RANSDELL. All right. I hope the Senator will place a list of them in the RECORD.

Mr. WILLIS. I will name three or four, and the Senator will agree with me when I point them out.

Mr. RANSDELL. I do not deny it. I can not keep up with all of them.

Mr. WILLIS. I am quite familiar with them.

Mr. KING. Mr. President, an examination of the literature bearing upon rivers and harbors, and by that I mean the reports and the hearings and the debates in Congress, will reveal the fact that many projects which had been constructed are of no utility and that the engineers have upon various occasions recommended the abandonment of the same. I feel sure that such recommendations have rarely been followed by Congress. The recommendation to abandon a project is usually followed by local pressure exerted upon the War Department and upon Congress. It is almost impossible for the United States to shake off a barnacle or an incubus fastened upon it, whether it be a bureau or an executive agency, or a ship or navy yard, or a munitions plant or a rivers and harbors project.

It is difficult to effectuate any reform in a government, particularly in a democracy. Eminent writers have contended that a strong and vigorous central authority can prove more efficient than any other form of government and can execute reforms impossible to secure even in a democracy. Senators know that naval authorities have recommended the closing of navy yards and naval plants and naval stations and bases. These recommendations have been prompted by patriotic motives and in the interest of economy and to obtain a more effective Navy. But these recommendations have been ignored, and we are continuing many of the activities which should be abandoned at the cost of millions of dollars and to the injury of the Navy itself.

Some of the reports which I have read reveal the fact that Army engineers, when they would visit a stream or project, suggested for adoption by the Government, would be met by boards of trade and leading citizens and Congressional Representatives. They would be banqueted and wine and dined, and every possible pressure brought to secure a favorable report. In some instances, where reports were adverse, appeals were made again and again by local interests and by public representatives until finally the adverse reports were set aside and unworthy and improper projects were then fastened upon the Government.

Mr. President, I want to refer briefly to a number of the projects denoted "channels." For instance, the bill before us declares for Beach Creek and a channel from Maple, N. C., to the inland waterway. This is to be adopted as a governmental project.

Mr. WILLIS. Mr. President—

The PRESIDING OFFICER. Will the Senator from Utah yield to the Senator from Ohio?

Mr. KING. I yield.

Mr. WILLIS. I wonder if the Senator's attention has been called to the fact, particularly in the case he mentions, that there are three of those channels on a peninsula that is probably about 10 miles in width. If we are to go on, we will either have to enlarge the peninsula or narrow the channel. There will not be room for it.

Mr. KING. We will enlarge the peninsula; the Senator need not worry.

Mr. WILLIS. Undoubtedly.

Mr. KING. We are going to keep up the development on the rivers and harbors, even if we have to make land for that purpose; if water is needed, Congress can provide artesian wells and thus develop commerce. It was said at one time in Congress that in one of the States water was to be provided for a "dry" stream by sinking artesian wells.

Mr. RANDELL. May I ask the Senator if that was actually done, or recommended in a jocular way by an engineer in regard to the Trinity River? Was it actually ever undertaken?

Mr. KING. My information is that such recommendation was made and was regarded as feasible.

Mr. RANDELL. I do not so understand it. The Senator from Texas probably knows. It was in the State of Texas, on the Trinity River. I will ask the Senator from Texas whether they actually sunk artesian wells to add to the flow of the Trinity River.

Mr. KING. I think it would have been a wise thing to have sunk artesian wells in order to get water in some of the streams about which the Senator has been so solicitous, and upon which thousands of dollars have been expended.

Mr. SHEPPARD. No, Mr. President; that recommendation was never followed; it was never seriously considered.

Mr. BRUCE. Mr. President—

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Maryland?

Mr. KING. I yield for a question.

Mr. BRUCE. I would like to add another illustration to those the Senator is so happily bringing forward. I recollect that during my boyhood there was a proposal to make some stream down South navigable, and Sunset Cox, who was in the House at that time, said that so far as he could see the best way to render it navigable was to macadamize it.

Mr. KING. I think the same recommendation would have been proper with respect to many projects that were adopted.

I recall, Mr. President, that in one appropriation bill which has been brought up since I have been here a considerable sum was appropriated to remove the hyacinths from some of these great (?) streams that were perhaps 9 inches to 2 feet in depth, and the lilies of the water rather than the lilies of the valley, and some of the little shrubs that grew in them, as well as the water cress.

Mr. President, when I rose I intended merely to call attention to the fact that a very large number of new projects were authorized by this bill, and I intended at a later time to discuss some of them. I have been led into a longer discussion than I had anticipated, and will now yield the floor.

Mr. RANDELL. Mr. President, I do not know that I wish to add anything about the little stream—Little Bayou Caillou—of which my distinguished friend from Utah has attempted to make so much fun. Down in Louisiana we believe it is a very worthy water course, and the engineers have recommended it strongly. I had their report here a moment ago.

The Senator from Utah asked about the report. I have it before me now. It is a modification of the original report. It is document No. 5, of the Sixty-ninth Congress, first session, modifying the original document. In the original report local

contribution was asked for. In this document no local contribution is asked. It was not feasible to get it.

I think there should be no question about approving this item. It is unanimously recommended by the district engineer, the division engineer, the Board of Engineers for Rivers and Harbors, and the Chief of Engineers.

I would like to make a river and harbor speech in reply to the Senator from Utah, but as he says he is going to take the subject up again and go into it in detail, I am going to ask him to give me the same details that I requested a while ago. If I were an ordinary criminal, I would be entitled to be told how much money I had stolen, from what banks I had stolen it, when I had stolen it, and all about it. In substance, he says, in regard to these appropriations for rivers and harbors, that we have expended hundreds of millions on absolutely unworthy water courses. I do not pretend to say that all of our appropriations for rivers and harbors, in the hundred and forty-odd years since we began to function as a Republic, have been wise.

I was told by one of the associates of that great business genius, Andrew Carnegie, that Mr. Carnegie on one occasion had some machinery which cost \$6,000,000 to \$8,000,000, constructed for carrying on his marvelously successful manufacturing operations, and before those plants began to operate it was found out that there was something better. A letter from Mr. Charles Schwab to me on that subject, written several years ago, said in substance:

I built those plants in strict accordance with the instructions of Mr. Carnegie, and when he came to inspect them I was looking rather doleful, because I had found out that a mistake had been made, that better work could be done with other machines, and I looked my feelings. After inspecting them carefully Mr. Carnegie said: "Charlie, you carried out my instructions absolutely. What's the matter with you, my boy? Why are you looking so sorrowful about it?"

I replied: "Mr. Carnegie, we have made a mistake. We have spent all this money. Something has developed, sir, since this was begun, very recently, that would enable us to do the work intended for this plant a great deal cheaper and a great deal better."

"Why," he said, "is that so, Charlie? Tell me about it."

I explained it to him, went into detail, and he gave immediate instructions to scrap every bit of that great new work, which had cost millions and had never been used.

We may have made mistakes in improving some of our rivers and some of our harbors, though I notice the Senator is very kindly to harbors. I notice much friendliness toward harbors on the floor of the Senate and also among Members of the House. All of us know that harbors are railroad terminals and that rivers and canals are railroad competitors. Probably that explains the friendship of some Senators to harbors and their opposition to rivers and canals. But I will not go into detail as to that.

In the past, during our one hundred and forty-odd years of national life, there were many little rivers and some big ones which performed wonderfully beneficial service as transporters of freight before railroads were built parallel to them.

On the Red River, which runs through Louisiana, Texas, and Oklahoma, a very large commerce was carried. That river was not navigable the year around. In the low-water season boats could not run on portions of it; but for a few months of each year they could operate, just as on the Ohio, the upper Mississippi, and the Missouri as far west as Fort Benton. A great commerce was carried on those streams in the early days. Modest appropriations for the improvement of their navigation were very wise. All the moneys expended on them in new work of improvement and for maintenance was repaid a hundredfold, aye, a thousandfold, by the excellent and cheap transportation carried on them, which, indeed, was the only method of conveying freight for many years, except by wagon.

After a while the railroads were constructed, magnificent highways, the most marvelous means of carrying commerce and passengers ever devised by the genius of man. As a result the rivers went into disuse, and many of the so-called rivulets and creeks—and I think the Senator spoke of springs also—went into disuse; but most of the expenditures thereon were wisely made. If I recall, vast appropriations have been made for the Navy, and some of the mistakes of the Navy Department have been sunk in many fathoms of water. I have always understood there was a great difference between the legal profession, of which I was once a humble follower, and that of medicine. One very important difference is that lawyers nearly always have their mistakes unearthed by somebody coming after them, whereas the doctor often buries his mistakes under 6 feet of ground. Nobody discovers them. All the mistakes of the waterway engineers in the 102 years of our Republic since we began to improve canals, rivers, and harbors—because we did not begin, I will say to the Senator from Utah, until

1824—still stare us in the face, and, of course, there have been some errors.

Mr. President and Senators, do you know what else stares us in the face? The Senator from Utah has been reading the reports of the engineers. He probably saw on page 4 of the last report of the Chief of Engineers for 1926 that the "grand total" of river and harbor appropriations since this Republic began was \$1,378,000,000. Does anyone know how the engineers got at that sum? That "grand total" is arrived at, Mr. President, by taking every dollar expended on the original cost of waterway improvement and every dollar in maintenance of the various projects and adding all of those items together year after year, a perfect piling of Pelion on Ossa to get this amount. If there be need of a little proof, I will call on General Jadwin, Chief of Engineers, to verify it.

On page 5 of the report to which I refer it is shown that for the fiscal year ending June 30, 1926, new work for rivers and harbors in general cost \$29,250,000 and maintenance, \$18,508,000, a total of \$47,858,000. In making up the grand total of \$1,378,000,000 not only did the statistician take into consideration the \$29,250,000 but also the \$18,598,000. I ask you, Mr. President and Senators, if that same kind of book-keeping were applied to the railroads, where would they be? Would we have a total railroad capital in this country at the present time of around \$21,680,000,000 (not including switching and terminal companies), or would we have \$100,000,000,000, aye, more, probably \$200,000,000,000? In making up the estimate of rivers and harbors there is added every year every dollar expended for maintenance, every dollar for new improvement, and not the credit of one cent is allowed for the marvelously beneficial results of these waterways.

Mr. REED of Missouri. Mr. President—

Mr. RANSDELL. I yield to the Senator from Missouri.

Mr. REED of Missouri. The Senator has just covered the point I rose to make. There is no credit shown for the immense saving in freight rates for the development of the country, or for any of the benefits that have resulted from those works, without which many parts of the country which are now prosperous would be almost desolate.

Mr. RANSDELL. I thank the Senator. Let me give one concrete instance. Take the wonderful improvement of the Sault Ste. Marie River, connecting Lakes Superior and Huron. That great work cost about \$31,300,000, of which the Dominion of Canada expended \$5,000,000 and our country the balance. Those marvelous locks and dams at the Sault Ste. Marie and the gigantic controlling works leading up to them cost \$31,300,000, as I recall the figures. What was the commerce that passed through the Soo in 1925? Why, sir, 81,000,000 tons of commerce passed through those locks in 1925, not counting passengers. The freight on that commerce was \$71,000,000. It was carried 800.9 miles at an actual freight charge of 87 cents per ton and a freight rate of 1.08 mills per ton per mile. Let me repeat that: 81,000,000 tons of commerce; total freight paid, \$71,000,000; 87 cents per ton for 800 miles, at the rate of 1.08 mills per ton per mile.

How does that water rate on the Great Lakes compare with the average of the railroad rates of the entire United States? It was about one-ninth as high, about one-ninth as much as it cost to move freight in 1925 over the railroads of the Republic. But, it is said, it is unfair to state that the rates on the railroads adjacent to the Lakes are the same as the general average, because rail rates in the intermountain region are very high, and so forth. In order to meet that objection let us assume that this water-borne freight was carried not at one-ninth of the average railroad rate but at just one-half of that rate. Say that it could have been carried on the railroads adjacent to the Lakes at only four and one-half times the boat rate instead of nine times and let us see the result. If we multiply \$71,000,000 by 9 we have something like \$640,000,000 total freight charge for that great commerce of 81,000,000 tons, instead of the \$71,000,000 actually paid.

Now, let us divide this sum by two, because it is a fact that the railroads adjacent to the Lakes, on account of the very great influence of cheap water transportation, charge much less than the average railroad. This gives \$320,000,000 instead of \$640,000,000. But the people actually paid \$71,000,000, so we must deduct that \$71,000,000, which leaves us around \$249,000,000 saved in one year by that one waterway, which cost the people of the United States and Canada a total of \$31,300,000. Yet, in spite of this very remarkable showing in making up the "grand total" for the cost of waterways since 1824, the maintenance of the Sault Ste. Marie was added in along with the other items, although the American people in 1925 were saved eight times the total cost of all the expenditures on that great work.

Mr. REED of Missouri. Mr. President—

Mr. RANSDELL. I yield to the Senator from Missouri.

Mr. REED of Missouri. I was just going to suggest that while this saving was being made and this profit was accumulating there were a lot of legislative crows sitting around on dead limbs cawing about the expense of the improvement and thinking nothing about the benefits accruing from the improvement.

Mr. RANSDELL. That is a very wise comment on my remarks, and I thank the Senator for making it.

Mr. KING. Mr. President—

Mr. RANSDELL. I will yield to the Senator from Utah in just a moment. I wish that all Senators might consider the marvelous benefits which have come from these waterway improvements before criticizing them. They would find in nearly every instance that the improvements have paid many times their cost. A number of these projects repay all the expenditures on them every year in reduced freight charges. We do not make improvements ordinarily until they have run the gantlet of the Engineer Corps of the Army, as fine a body of men as exists in this or any other country. There are no improvements made by Congress so hedged about, so carefully safeguarded, as those for rivers and harbors. We make large appropriations for the Department of Agriculture—I am a member of the Committee on Agriculture and an agriculturist myself—but we have means of guarding them very carefully.

We appropriate big sums for the Commerce Department and take what the Secretary of Commerce says about them. We appropriate a great many millions for the Post Office Department, the Army, and the Navy, and to a great extent are governed by what the heads of these departments say. But when it comes to rivers and harbors, how do we find out about proposed expenditures? Not one scintilla of evidence can come to us until first an act of Congress is passed authorizing the Engineer Corps to make a survey of some specified project. Then a preliminary examination is made, followed by a report. If that examination is favorable, the Chief of Engineers orders a field survey, and then it goes to the local or district engineer. If this officer finds it all right after a thorough examination and actual survey, he reports it to his division engineer. The division engineer sends it, with his comments, to the Board of Engineers for Rivers and Harbors, composed of seven men, each with the rank of major or higher. This board, after a thorough reexamination of the evidence and frequently the taking of new evidence, sends it finally to the Chief of Engineers; and if he thinks it is all right, he sends it to Congress with his approval. If the chief disapproves the project, he usually pigeonholes the papers, though sometimes they are transmitted, accompanied by a strong expression of his views. Could anyone conceive of a better method of careful investigation and preparation before making an appropriation? Our general rule is not to make an appropriation unless it has the approval of at least some of these engineers, and there are very few exceptions to this wise practice. I yield now to the Senator from Utah.

Mr. KING. I will wait until the Senator has concluded.

Mr. RANSDELL. Very well; I am through.

Mr. KING. Mr. President, of course the Senator from Missouri did not want to be unparliamentary, and I am not sure whether I am entitled to be classed with the black crows who have sat upon the branches making direful predictions.

Mr. REED of Missouri. I was not even thinking of the Senator. My observation was a mere generalization.

Mr. KING. I presume so.

Mr. REED of Missouri. And might be applied anywhere and to a great number of people.

Mr. KING. Even if the Senator had directed his remarks exclusively to me, it would not have changed what I am about to observe. I might add, however, that warnings against unwise legislation are necessary—it would be better for our country if we had more warnings and counsels and admonitions from men of vision and statesmanship.

Mr. President, I think the Senator from Missouri as well as other Senators overestimate the advantages which have been derived from the stupendous appropriations which have been made for rivers and harbors. I concede that the Federal Government has the power to make appropriations for certain harbors and certain inland waterways. I do deny, however, that the obligation rests upon the Government. Indeed, I think it is beyond its legal authority under the Constitution to take over these little streams and rivulets which are purely local in character and upon which no commerce of any consequence can ever be carried. I think we have prostituted the power of the Federal Government in appropriations for rivers and harbors, as we have for many other activities. I am afraid that many

of our citizens have become so enervated by reason of the Federal Government assuming responsibilities which belong to them and to local communities and to the States that they are now willing and desirous of having the United States undertake the performance of duties which belong to them and to the States. Instead of local governments, we are developing a powerful paternalistic Government.

Under the interstate-commerce clause of the Constitution as it is being interpreted by Congress, and even by the Supreme Court of the United States, I believe that the Federal Government is exercising powers not delegated to it and is arrogating to itself authority which the founders of this Republic never dreamed that it would exercise.

It is claimed by some that under the interstate-commerce clause of the Constitution we can take over all of the streams in the United States; and in this bill I perceive a clause, to which I shall refer later in the debate, which authorizes the officers charged with the carrying out of this measure to make surveys of and recommendations as to all of the streams of the United States, not to determine whether if any commerce may be borne upon those streams that commerce is being interfered with, but they are to examine all these streams in order to determine where dams may be erected, where hydroelectric power may be generated, and to make recommendations with respect to the development of electric power and its utilization.

What does that mean? It means that the paternalistic and socialistic policies that are so favorably received by some who do not understand our form of government, or who wish to change it by illegal means, have permeated branches of the Government, and the plan now is to have the Federal Government construct power plants, and, of course, if necessary for the utilization of the power it would follow as a proper corollary to build the necessary plants, industrial and otherwise, for the utilization of the power thus developed.

It is believed by students of our Government and of the legislation of recent years that the Constitution of the United States is undergoing vital changes, not alone by amendment, but by interpretation and by misinterpretation of important provisions therein. Certain it is that the powers of the Federal Government are being expanded, and it is entering into fields never contemplated by the fathers of the Republic. The people as well as Congress too often forget that the National Government possesses only enumerated powers, that its functions are limited, that it may assume to do only those things which the people have authorized it to do by express provisions of the written Constitution.

But, I repeat, we are changing our form of government and are attributing to the Federal Government plenary power to deal with subjects and matters, too many of which are urged by crack-brained enthusiasts or hysterical men and women. Faddists and propagandists, devoted to the most visionary schemes, infest the Capitol and seek to drive through measures revolutionary and destructive. Clubs and associations are organized in all parts of the country to urge legislation unwise, socialistic, and bureaucratic. The States are being shorn of their power, their sovereignty is being denied, and efforts are made to centralize all governmental power, local and national, in the Federal Government.

The interstate commerce clause of the Constitution is used to expand the powers of Congress far beyond legitimate boundaries and to weaken the power of the States, and in many instances to deprive them of their undoubted prerogatives. An extensive propaganda is being carried on, having for its object the assertion by Congress of absolute power and jurisdiction over all streams, navigable and unnavigable, in every part of the United States.

Let me add in passing that if it is within the power of the Federal Government to provide means for every person who lives upon little streams to carry his products to market and to enable him to bring to his own home commodities which he requires, then Congress would have power to construct railroads, small or large, for the same purpose. And so, under the same reasoning, Congress would have the authority to tax the people and build railroads to convey ores from the mines to the mills, and to convey the logs and timbers by the mountain streams for use in the valleys below. Congress would have the authority in Colorado and in the intermountain States to carry the beets from the farms to the sugar factories and to convey the crops from the farms to the elevators.

The Senator from Louisiana states when reference is made to the enormous expenditures made for rivers and harbors that proper weight has not been attached to the reductions alleged to have resulted in freight rates. Mr. President, I do not recall any extended debate over appropriations for rivers and harbors in which that question has not been thoroughly

and exhaustively discussed and every possible claim made in its behalf.

I venture the assertion, however, that the earnest and able arguments in behalf of such appropriations, including the efforts to demonstrate the great benefits resulting from such expenditures, failed to bring conviction to many, or to establish satisfactorily their soundness. Many of these arguments assume the continuity of freight rates unchanged and unchangeable. They do not take into account that in every industry and line of business changes have been made, improvements have been wrought, and methods have been inaugurated, all calculated to make for efficiency, for increased production, and for decreased prices. During the past 50 or 60 years, changes in mechanical appliances in mills and factories and plants have been little short of marvelous, and these changes have resulted in enormously increased production and greatly reduced costs of production.

The railroads of the United States have undergone remarkable development in the past 30 or 40 years. As the country has increased in population, industry has developed, railroads that were once but mere streaks of rust, are now carrying millions and tens of millions of tons of freight annually, and are supplying the needs of great cities and industrial sections of our country. Railroad rates were constantly being reduced prior to the war, until it was claimed—and I think the claim was valid—that America had the best railroads in the world, the best service, and the cheapest freight and passenger rates.

I think that impartial investigations have demonstrated that, speaking generally, the railroads can carry freight cheaper than waterways. Of course, there are some articles, articles of bulk and great weight, which can be cheaply carried upon our inland streams. But the efficiency of our railroads, the speed with which they cross the continent, and the very excellent service which they render, together with the fairly reasonable rates which they charge, conspire to limit the importance of water transportation.

I make these statements, Mr. President, not because of any interest which I have in railroads. I realize that they have made many mistakes, and have in past years, in many instances, oppressed sections of the country and dealt unfairly and unjustly with the people. Several years ago, as I recall, Senator Burton, of Ohio, made a study of the relative cost of water transportation and railroad transportation. My recollection is that his conclusion was that railroads could, generally speaking, carry freight cheaper than it would be carried by our rivers and canals.

It is a well-known fact that some of the waterways which before the Civil War carried many thousands of tons of freight per annum now carry but a few tons. The decline in the amount of freight carried by many of our waterways has been proportionate to the increase in the appropriations for their development.

It appears that the larger the appropriation the less freight has been hauled. The Missouri and Mississippi Rivers, as I have stated, were important carriers of passengers and freight many years ago, and their importance has diminished as our railroad system has been developed and its efficiency brought to the present high standard.

In my opinion the prognostications which have been made so often in Congress during the past 25 years as to the importance of our waterways have not been fulfilled. And when opponents of the extravagant appropriations carried in the river and harbor bills have called attention to the diminishing importance of our inland waterways as carriers of freight and passengers, the invariable reply has been made that notwithstanding such failure they effected material reductions in railroad rates.

Mr. President, I have referred to these statements and have expressed serious doubts as to the validity and merit of the same. It is true, as I have stated, that railroads many years ago were not always scrupulous in their dealings with the people; indeed railroad managers were too often arrogant and oppressive and did not recognize that they owed a duty to the public. But a remarkable change has occurred, not only upon the part of the public but upon the part of the railroad owners and the railroad executives and managers.

It is now universally recognized that railroads are public carriers and are servants of the public. The interstate commerce act was passed in obedience to the demands of the public. The wisdom of this measure has been vindicated, and the Interstate Commerce Commission has attempted to discharge its important duties with fidelity and with due regard to the rights of the public, the investors, and the owners of the railroads. That all of its decisions have been sound can not be claimed, but that its general course has been just and fair,

I think, must be conceded. Railroad rates if they are too high can be reduced, and will be reduced by this independent commission charged with quasi-judicial powers.

I know that much emphasis will be laid upon a few isolated cases where waterways have carried freight, and parallel railroads have for one reason or another reduced their rates. These isolated cases do not establish any general rule; and I repeat, it may not be stated with absolute certainty that the waterways have produced any important results, any important changes in the freight rates imposed by the railroads of our country.

Mr. President, a word in regard to the Louisiana bayou project which is now before us. The Senator from Louisiana speaks highly of the engineers who have charge of the various rivers and harbors projects. Mr. President, I do not disagree with the Senator. I do think, however, that many of our Army and naval officers do not quite appreciate the value of the dollar and are not always practical in their utilitarian activities. As boys they enter West Point and Annapolis and their activities do not bring them into contact with the stern and concrete questions of life which are to be met and determined by those who meet the struggles in the fierce conflicts in our industrial and business world.

I do not think that any of the departments of the Government are efficient or economical. Congress appropriated for the present fiscal year over \$750,000,000 for the Army and Navy. The personnel of the Army and Navy is not large. I think there are only 112,000 men in the Army and about 87,000 in the Navy, and yet we are asked to appropriate for the next fiscal year \$800,000,000 for the Army and the Navy. In my opinion we are spending entirely too much for these branches of the Government. The same is true with respect to other departments of the Government. There is waste and extravagance in every branch of the public service.

Congress will appropriate for the next fiscal year approximately \$5,000,000,000, an amount so stupendous as to be incomprehensible to most individuals. And the bill before us will require an additional appropriation, the amount of which it is almost impossible to determine. The item we are now considering does not call for a large sum—\$89,000, with an annual expenditure for maintenance of several thousand dollars.

There is a small channel which local interests heretofore have developed. They now want the Federal Government to take it over and to improve it. The engineers in 1922, when recommendations were made for improvement of this project, recommended that the local interests would derive great benefit and should therefore contribute 50 per cent of the cost of the development. But now the engineers come, doubtless yielding to the pressure which has been brought, and recommend that the local interests be relieved from any contribution whatever, though the local community signified its willingness to contribute 10 per cent "by way of cooperation."

Mr. BROUSSARD. Mr. President—

The PRESIDING OFFICER. Will the Senator from Utah yield?

Mr. KING. I yield.

Mr. BROUSSARD. If the Senator will look at the report, he will find that 2 feet have been dredged before this by private local contributions. Not only that, but the engineers report here that that community has contributed 10 lineal miles to the intracoastal canal; and they also undertake here to keep these streams free of water hyacinths. It is for that reason that the engineers have recommended that no local contribution be asked in this case—because they have made possible the 2 feet now to be utilized by the Government in deepening the channel and have contributed this 10 miles of waterway 300 feet wide.

Mr. KING. I was familiar with the point the Senator has made, and he has anticipated what I intended to say. Mr. President, it is apparent that this is a local project. I know of valleys in the West where streams flow down from the mountains. These streams could be dredged and there could be maintained streams of considerable width with a constant depth of 2 feet or more. These streams flow through valleys in which there are farming interests of value and importance. The Government could with as much propriety adopt these streams as governmental projects as it can adopt this bayou as a river and harbor project.

If the farmers in the valleys to which I referred should come here and ask Congress to take care of these mountain and valley streams there would be great objection made by some who so loudly clamor for millions for bayous and so-called inland streams of the United States.

I repeat, Mr. President, that there is no authority under the Constitution to expend money from the Treasury of the United States for the improvement of scores of the rivulets and streams

and creeks which have been taken over by the Federal Government. When Congress is given the power, under the Constitution, to regulate commerce, it does not mean that the Federal Government shall take over the hundreds of projects which have been fastened upon the Federal Government.

It was contemplated by those who drew the Constitution that the power of Congress with respect to inland waterways and streams related only to navigable streams, and was to be directed rather, if not wholly, to the prevention of or interference with navigation upon interstate streams. But under this new federalism Congress is asserting the power to control the springs that rise in the Rocky Mountains and in the Sierra Nevadas and the streams flowing down from the mountains. There is no stream, no matter how insignificant, whether intrastate or interstate, that under this new-fangled doctrine the Federal Government does not have the power to control; and officials in the executive departments are proceeding to carry out this policy and are attacking the States, as well as individuals, and questioning their ownership of springs and the waters of streams which were appropriated many years ago for agricultural or other beneficial purposes.

I protest against these usurpations of the Federal Government and this constant infringement upon the rights of the States and upon the rights of individuals.

Mr. President, I realize that opposition to this bill will prove futile. The scores of projects provided in the bill are locked together into a solid phalanx. The Senator from Ohio and other Senators may speak here until the session ends, but they can not impede the progress of the bill. They can not dislodge one brick from the gigantic structure which is provided in the bill under consideration. Though built by human hands, it is impregnable. The bill will soon pass and, of course, will be approved by the President, and the Federal Government will be committed to the construction of scores of new projects, many of which are useless, and very few of which come within the cognizance of the Federal Government.

But, Mr. President, there are \$400,000,000 of surplus in the Treasury. This is an inviting fund. Unless it is soon placed beyond the reach of Congress and the executive officials, it will be dissipated. This bill will aid in the dissipation of the fund and will commit the United States to millions and tens of millions of dollars of expenditures, a large portion of which will have to be met not during the next fiscal year but during a series of years.

But this Congress is not to advocate economy nor to practice it. It is yoked to the executive department. It will not reduce expenses. Upon the contrary, it will appropriate \$50,000,000 to \$100,000,000 more than was appropriated for the present fiscal year. We are committed to an extravagant and hysterical policy. We are so obsessed with the idea of the material powers of this Nation, of the wealth of our country, with the belief in the fictitious prosperity of the people, that money ceases to be of value and millions are less important than thousands were a short time ago.

So, in the language of the street, let us "on with the dance, let joy be unconfined"; let us "eat, drink, and be merry," and drain the Treasury of its surplus and tax the people to pay billions into the Treasury vaults to meet the improvident if not profligate measures which this Congress will enact.

The PRESIDING OFFICER. The question is upon agreeing to the amendment proposed by the committee.

The amendment was agreed to.

Mr. JONES of Washington. Mr. President, I wonder if the Senator from Utah or any other Senator will allow us to vote on the Galveston Channel item to-night?

Mr. KING. No; not to-night. It will take some discussion.

OBLIGATIONS OF POWERS ASSOCIATED IN WAR

Mr. WADSWORTH. Mr. President, in the current number of the Review of Reviews for December, 1926, there appears an article by Mr. Maurice Léon, entitled "Obligations of powers associated in war." It is only three pages long. It is very interesting. Without committing myself to the conclusions which he reaches, I ask unanimous consent that it be printed in the RECORD.

The PRESIDING OFFICER (Mr. SACKETT in the chair). Without objection, it is so ordered.

The article is as follows:

[The author of the following article has been a resident of the United States for more than 30 years. He is a member of one of the leading law firms in New York City. His purpose in this article is to show that the United States has definite obligations to France in the matter of securing payments from Germany, from which the French debt to us may be discharged.—The EDITOR.]

One wonders sometimes whether facts cease to be facts when they are largely ignored or misunderstood. Here are some—perhaps

the principal—essential, vital facts concerning France's war debt, all of which are largely ignored or misunderstood:

(1) On April 6, 1917, when the United States entered the war against Germany, President Wilson cabled President Poincaré a message in which he used the words, "We stand as partners." In due course President Wilson defined the relationship of the United States to the Allies as that of an "associate," and this became the official definition of the relationship. Some people regarded it as almost disloyal to our cobelligerents that he had used that word rather than "ally." But how many of them took the trouble to understand either word? Webster's pre-war "Collegiate Dictionary" (Merriam, 1912) defines "ally" as "one united to another by treaty or league," and "associate" as "closely joined with some other, as in interest, purpose, employment, or office." Manifestly, "ally" emphasizes the form of the bond, and "associate" its substance, and therefore, of the two, the latter expressed the stronger relationship so far as the whole-heartedness of our participation in the struggle was concerned. Indeed, we were closely joined with the Allies in interest and purpose.

(2) Our Army first became a real factor on the western front in mid July, 1918.

(3) Between April 6, 1917, and mid July, 1918, the whole fate of the war was involved in the struggle on the western front, i. e., on French soil. After the capture of Vimy Ridge by Allenby, in an attack begun April 9, 1917, the French Army was launched in an offensive of unprecedented magnitude, lasting nearly six weeks, in which, at the price of fearful losses, the Chemin des Dames Ridge was won along its eastern portion, the Germans losing 62,000 prisoners, 446 guns, and 1,000 machine guns. The new front thus established saved the allied cause from certain defeat in March, 1918, for, had they started their great offensive from the positions they held in February, 1917, the Germans, upon launching their attack of March 21, 1918, would have reached Amiens in two days, severing communication between the French and British Armies, and vitally impairing the defense of the Channel and of Paris—winning the war then and there.

On December 15, 1917, the German-Soviet armistice took place, and this gave the Germans preponderating power on the western front, where they gathered all their forces for a winning blow.

At that time the American Army was like the unassembled parts of an automobile—ineffective for any practical purpose—and it was a certainty that it could not function as a fighting force for six months, while it was equally certain that the German blow would be delivered in about half that time, as soon as the weather rendered the movement possible. Allied defeat involved the alternative of American humiliation and the payment of a large sum to Germany or continuance of the struggle single-handed at a far greater material cost.

THE PROMISE MADE BY PRESIDENT WILSON

(4) On January 8, 1918, President Wilson addressed the Congress in joint session. His address consisted of two parts: The first, a plea to Russia not to join hands with Germany against the western powers; the second, an outline of America's war aims as conceived by him and set forth in his 14 points. The CONGRESSIONAL RECORD for that date bears witness to the fact that the only one of the 14 points which elicited from the Congress in joint session a notable expression of approval, indicated by the words "prolonged applause," was the eighth point, in which it is stated that "all of French territory should be freed, the invaded portions restored," and Alsace-Lorraine returned to France. (As the President had first specified that all of French territory should be freed, his next statement that the invaded portions should be restored could only mean restoration in the generally accepted sense of reconstruction. It was so understood everywhere. The text, as published at the time in the French press, was, "les regions envahies restaurées." (The latter word in French eliminates any other meaning.)

This threefold promise was made to France by the war President solemnly, officially, in a message which he read personally to the Congress, which demonstrated its approval by "prolonged applause" of that eighth point and no other of the 14 points, according to its own official record of proceedings. Thereupon the Government of the United States, at its own expense, cabled and furnished a complete account of these proceedings to the French press, which published it on January 10, 1918, with the eighth point and the demonstration it evoked in Congress emphasized in bold type and accompanied by American comments indicative of a virtual unanimity of American sentiment in support of the threefold promise thus made. This memorable publication reached virtually the entire French people, soldiers and civilians, men and women. Its purport was understood: Let France fight not only her own but America's battle now—America would fight her own and France's battle later. But first France must save the day. If save the day she did, America would impose on Germany the terms vital to France's recovery, which were that all French territory should be freed, the invaded portions restored, and Alsace-Lorraine returned.

When the German blow came France redoubled her sacrifices, her sons shed their blood without stint. They answered with their lives America's appeal to save the common cause without the aid of an American Army a year after America had entered the war. Thanks above all to what France did; the great German offensive failed almost in sight of victory.

Thus as to the facts; now as to their consequences.

In view of the facts, can there be any question as to the United States, the "associate" of France, having solemnly promised the French people to impose on Germany the payment of sums sufficient to effect the restoration of the invaded portions of France?

What can be argued against the validity of the promise? Its terms were explicit. They were not merely uttered officially by the war President; they were greeted with "prolonged applause" by the war Congress, as the CONGRESSIONAL RECORD shows.

WAS THE PROMISE BINDING?

On what theory could it be asserted that the promise, though undoubtedly made, was "not binding"? At that time, not only was the war President in full possession of his war powers, which necessarily included the formulation of any policies in furtherance of the war, but in this special instance, in relation to only this one of the 14 points, Congress signified its emphatic approval of the statement by a demonstration noted in its own proceedings. Not until 10 months later did the American people withhold the blanket indorsement of the entire 14 points which President Wilson asked to be vouchsafed to him through the return of a Democratic majority in both Houses of Congress—an unfortunate attempt while hostilities were still on to use patriotism in the furtherance of party politics, in the Republican view, or vice versa in the Wilsonian view.

But meanwhile rivers of blood—mostly French blood—had flowed for the common cause and had saved it from what seemed like certain defeat. Let who will go to the French military cemeteries along the Somme and the Chemin des Dames, where so many thousands died while we prepared, and also to the tomb of the unknown soldier under the Arc de Triomphe, the silent, eternal witness of all that took place, and proclaim the following:

"The promise made to France by the President of the United States in an official message on January 8, 1918, which the Congress of the United States approved with prolonged applause, is to be understood as made in a Pickwickian sense so far as concerns the enforcement of payment by Germany of the sums necessary for the restoration of the French invaded regions."

Can it be argued that the promise is "not binding" because made orally and not in a written contract? Is France to be penalized for having taken at face value the word of America given by its President at the most critical hour of the war and backed by the noteworthy demonstration of assent it evoked from Congress the moment it was uttered? Was not the very form of the promise entirely suitable for an assurance at that time by one war associate to another? The situation was unprecedented since the foundation of the Republic. Would it have furthered the common cause if France at the time had not taken our word for it unless and until signed and sealed? That was not the way the war was being conducted, thank God! Momentous decisions were being made spontaneously, orally—under the inexorable pressure of necessity. Witness the acceptance by General Pershing of subordination to General Foch as commander in chief, which placed the supreme direction of American Armies under French leadership.

A PROMISE THAT WAS NEVER REPUDIATED

The promise was thus undoubtedly made, backed by overwhelming congressional and popular assent, whence it necessarily follows that in its honest fulfillment the honor of the United States has been at stake ever since. It was never repudiated—refusal to indorse the 14 points as a whole did not constitute such repudiation, nor did the reservations with which a majority of the United States Senate showed itself ready to ratify the Versailles treaty. Indeed, how could the United States repudiate its own promise and expect France to fulfill hers nevertheless?

FRANCE'S OBLIGATION IN THE DEBT SETTLEMENT

It was in the conviction that the American promise could be relied on that the French people advanced over \$7,000,000,000 in real value needed to restore the invaded regions, pending the receipt from Germany of the sums necessary for that purpose. The consequence of the delay which has attended German payments has been the present French financial situation, with the franc down to 3 cents and French national income taxed to the uttermost in the ratio of 28 per cent to our 11 per cent without any money being available with which to pay war debts, except a share of prospective German payments.

American participation in the Dawes plan was more than simple altruism—it was a step in the fulfillment of a promise binding in honor upon the United States and which will be fulfilled if a decent respect for the opinion of mankind is still thought requisite.

Repudiation of that promise would only come if Congress were to reject as inadequate French ratification of the war-debt settlement because of notice by the French Parliament that payment is expressly

subordinated to the receipt by France of the sums to which she is entitled under the Dawes plan for the restoration of the invaded regions.

Should Congress thus initiate repudiation of a promise made before the whole world by one war associate to another under the circumstances recalled above, it is not difficult to perceive what might happen to the promise, fulfillment of which Congress demands.

The French promise, like our own, was made to be performed according to the principles of equity and good faith. A view has been expressed often that under the settlement only half of the debt is to be paid and that thereby all advances prior to the armistice are forgiven, the inference being that all that France received for the purposes of the war is waived. The facts do not bear out any such inference, besides which the very law governing the advances prevented their being made except for war purposes; and to show a 50 per cent reduction it is necessary to apply an arbitrarily high rate of interest without taking into account the real cost of the money advanced, nor what the Treasury received in war taxes on French purchases, nor the fact that France received inflated, cheap dollars and must pay in deflated, dear dollars. Nor is any allowance made for the fact that when the debt was contracted France was able to rely on wine shipments as her chief single means of payment in America—a means which was taken away from her after the armistice.

Surely, as between her and the United States, France would in any event be paying more than her just share in real wealth of the price of the common victory—if it be only realized that man power is wealth—even if forgiven the entire \$3,000,000,000. France does not ask that, but only recognition that she is entitled to rely on reparation payments as a means necessary to enable her to pay war debts.

AMENDMENT OF THE PANAMA CANAL ACT

Mr. EDGE submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12316) to amend the Panama Canal act and other laws applicable to the Canal Zone, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, and 17, and agree to the same.

WALTER E. EDGE,
T. J. WALSH,
FRANK L. GREENE,

Managers on the part of the Senate.

JAMES S. PARKER,
E. E. DENISON,
ALBEN W. BARKLEY,

Managers on the part of the House.

The report was agreed to.

ACQUITTAL OF DOHENY AND FALL

Mr. REED of Missouri. Mr. President, I should like to take about three minutes of the Senate's time to read an editorial from the Philadelphia Record of December 17, 1926, which I think is as fine a piece of irony as I have read in a long time. It is entitled:

INNOCENCE VINDICATED

This is a censorious world. It has been so for a long time. "Be thou as chaste as ice, as pure as snow, thou shalt not escape calumny." Public opinion cruelly puts the worst possible construction on every action of a public man, or of a private man who is doing business with the Government, but there are juries to vindicate innocence, and if a man can not defend himself in any other way he can get himself indicted and 12 men who know a self-sacrificing citizen when they see one will acquit him.

If the practice of lending money to dear old friends who are in a position to promote one's business were to be condemned as corruption the results would be deplorable. Philanthropy would become dangerous. Selfishness would be sanctified. The effort to help a friend, who has the disposal of public lands, out of a financial hole would be penalized, and the noblest impulses of the human heart would have to be repressed as a matter of self-protection.

It is refreshing to know that we have patriots who will strain every nerve to save their own, their native land, from the fell purposes of a foreign power which participates in a peace conference and accepts a limitation on its naval ambitions, merely to appear pacific and hoodwink the unsuspecting American people. But there are naval officers who recognize the hand of treachery surreptitiously seeking the pocket of lethal weapons, and there are business men, patriotic enough to respond to the appeals of these sagacious officers and willing to undertake the creation of vast oil reserves at naval stations, so that the United States may be in a position to defend itself. Incidentally,

of course, and to facilitate their patriotic services, extensive oil reservations would be leased to them, and that seems a very small return to make for the courage that is willing to put up millions for the sake of providing the Pacific Fleet with abundant fuel. If men were punished for such acts of self-sacrifice, which an oppressive Government demanded, what would be our position when the next war scare came along? We should be at the mercy of Persia, or Irak, or the Hedjaz. We could not expect men to be patriotic if they went to prison for it, but if a jury expresses its appreciation of their public spirit we may expect high-minded and far-seeing men in the future to serve their country, incidentally receiving contracts or leases or other substantial acknowledgments.

It is curious how this suspicion of the motives of good men like Fall and Doheny has swept over party lines and been shared in by both Republicans and Democrats. It is curious, too, that in civil suits very closely connected with recently tried criminal prosecutions there was so much evidence accepted by judges that cast suspicion upon persons whose only fault was their simple-minded love of their country and desire to save the oil underlying its naval reservations, which was in danger of being stolen by people who bored wells just outside of the reservations.

We can not but deplore the aspersion of the motives of officials and the action of sagacious business men who sought only to prevent the leakage of naval oil and the supply of the Pacific Fleet with motive power in the event of war, but we may at least give thanks that in the District of Columbia we can so easily pick up 12 good men and true who recognize patriotic services when they see them and who will set patriots on pedestals instead of loading them with chains. It is safe for a public official to take care of his friends, and it is safe for a private citizen to make loans to his needy friends in office.

The action of a man about to retire from a Cabinet office in shipping all the furnishings of his office to his home has, we believe, formed no part of any legal proceedings, but the practice of thus providing himself with souvenirs of his useful public life can hardly be open to question now that 12 worthy citizens have expressed their opinions on more important actions of his.

Mr. HEFLIN. Mr. President, speaking of the jury to which the Senator from Missouri has just referred, I want the RECORD to show a statement appearing in the Washington Post this morning. I want to preserve this in the records of this Government.

Describing the jury, and what it did the night it was out on the Fall and Doheny case, the paper says:

Dice and card games, argument and song—this was the program of the Fall-Doheny jury during its last night. There also was some profanity, and this came from among the 10 men who were in favor of an acquittal. * * * One of the jurors swore that he would give the others no peace until a verdict had been reached, and he remained awake all night playing the phonograph and employing other tactics to keep his colleagues from sleeping.

I just wanted the Senate and the country to know what sort of jury sat in this case, and what they did, shooting dice and playing cards, cursing and swearing, when they were trying a case of such magnitude affecting the welfare of all the people of the United States.

EXECUTIVE SESSION

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened.

RECESS

Mr. CURTIS. I move that the Senate take a recess until to-morrow at 12 o'clock.

The motion was agreed to; and the Senate (at 4 o'clock and 55 minutes p. m.) took a recess until to-morrow, Saturday, December 18, 1926, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate December 17, 1926

ASSISTANT SECRETARY OF THE TREASURY

Carl T. Schuneman, of St. Paul, Minn., to be Assistant Secretary of the Treasury, to fill an existing vacancy.

PROMOTIONS IN THE NAVY

Lieut. Commander Harold T. Smith to be a commander in the Navy from the 27th day of September, 1926.

Lieut. Commander Mark L. Hersey, jr., to be a commander in the Navy from the 2d day of October, 1926.

Lieut. William M. Fechteler to be a lieutenant commander in the Navy from the 16th day of July, 1926.

Lieut. Charles A. Baker to be a lieutenant commander in the Navy from the 28th day of August, 1926.

Lieut. Byron S. Dague to be a lieutenant commander in the Navy from the 6th day of October, 1926.

Lieut. (Junior Grade) Kenneth C. Caldwell to be a lieutenant in the Navy from the 1st day of July, 1926.

Ensign Peter W. Haas, jr., to be a lieutenant (junior grade) in the Navy from the 8th day of June, 1926.

The following-named passed assistant dental surgeons to be dental surgeons in the Navy, with the rank of lieutenant commander, from the 4th day of June, 1926:

Eugene LeR. Walter.

Andrew L. Burleigh.

Eric G. Hoylman.

Joseph A. Kelly.

The following-named passed assistant dental surgeons to be dental surgeons in the Navy, with the rank of lieutenant commander, from the 1st day of July, 1926:

Walter Rehrauer.

Harry L. Kalen.

Philip H. MacInnis.

Pay Inspector William L. F. Simonpietri to be a pay director in the Navy, with the rank of captain, from the 5th day of June, 1924.

Assistant Paymaster William S. Cooper to be a passed assistant paymaster in the Navy, with the rank of lieutenant, from the 31st day of December, 1924.

The following-named assistant paymasters to be passed assistant paymasters in the Navy, with the rank of lieutenant, from the 4th day of June, 1926:

Christian P. Schwarz.

John N. Silke.

The following-named assistant naval constructors to be naval constructors in the Navy, with the rank of lieutenant commander, from the 23d day of September, 1926:

Russell S. Hitchcock.

Sidney E. Dudley.

Frederick E. Haerberle.

Andrew I. McKee.

Theodore L. Schumacher.

Norborne L. Rawlings.

Joseph W. Fowler.

Lawrence B. Richardson.

John D. Crecca.

Arthur C. Miles.

Grover C. Klein.

Edmund E. Brady, jr.

Henry R. Oster.

Douglas W. Coe.

Homer N. Wallin.

William J. Malone.

Ralph S. McDowell.

William C. Wade.

The following-named assistant civil engineers to be civil engineers in the Navy, with the rank of lieutenant commander, from the 1st day of July, 1926:

Fritz C. Nyland.

Lewis N. Moeller.

Andrew G. Bisset.

Ira P. Griffen.

Carl H. Cotter.

Theron A. Hartung.

Herbert S. Bear.

Gunner Michael J. Jones to be a chief gunner in the Navy, to rank with but after ensign, from the 7th day of July, 1926.

Gunner William M. Coles to be a chief gunner in the Navy, to rank with but after ensign, from the 5th day of August, 1926.

Machinist John R. Rayhart to be a chief machinist in the Navy, to rank with but after ensign, from the 5th day of August, 1926.

Pay Clerk Joseph L. Formans to be a chief pay clerk in the Navy, to rank with but after ensign, from the 5th day of August, 1926.

Pay Clerk Charles A. Young to be a chief pay clerk in the Navy, to rank with but after ensign, from the 26th day of September, 1926.

The following-named lieutenant commanders to be lieutenant commanders in the Navy, from the dates stated opposite their names, to correct the dates from which they take rank as previously nominated and confirmed:

Alfred P. H. Tawressey, June 5, 1924.

John H. Buchanan, July 1, 1924.

Herman A. Spanagel, July 9, 1924.

Joseph R. Redman, July 21, 1924.

Theodore D. Westfall, August 30, 1924.

Theodore D. Ruddock, jr., September 12, 1924.

William K. Harrill, October 17, 1924.

Alfred H. Balsley, November 4, 1924.

William E. Malloy, November 16, 1924.

Greene W. Dugger, jr., November 27, 1924.

John M. Creighton, December 2, 1924.

Charles D. Swain, December 16, 1924.

Edmund W. Burrough, December 17, 1924.

Albert H. Rooks, December 18, 1924.

Byron B. Ralston, December 23, 1924.

Thomas N. Vinson, January 1, 1925.

Herbert J. Ray, January 4, 1925.

John G. Moyer, January 5, 1925.

Archibald N. Offley, January 8, 1925.

Richard L. Conolly, January 22, 1925.

William A. Corn, January 30, 1925.

Thomas L. Nash, February 1, 1925.

Edwin T. Short, February 16, 1925.

John B. W. Waller, February 19, 1925.

Thomas J. Doyle, jr., February 23, 1925.

Alexander R. Early, March 13, 1925.

Vincent A. Clarke, jr., March 21, 1925.

Kemp C. Christian, March 26, 1925.

Benjamin F. Perry, June 7, 1925.

Richard W. Bates, June 24, 1925.

James M. Shoemaker, June 27, 1925.

Gerard H. Wood, July 4, 1925.

Melville C. Partello, July 17, 1925.

Robert O. Glover, July 18, 1925.

Archie E. Glann, August 26, 1925.

Edward E. Hazlett, jr., September 16, 1925.

John C. Lusk, September 29, 1925.

George P. Lamont, October 4, 1925.

The following-named lieutenants to be lieutenants in the Navy, from the dates stated opposite their names, to correct the dates from which they take rank as previously nominated and confirmed:

Marshall A. Anderson, June 7, 1925.

Elmer S. Stoker, June 7, 1925.

John B. Lyon, June 10, 1925.

Campbell Cleave, June 11, 1925.

William E. Miller, June 16, 1925.

Charles M. Abson, June 16, 1925.

James H. Doyle, June 17, 1925.

Harry E. Padley, June 24, 1925.

Neill D. Brantly, June 24, 1925.

Charles D. Murphey, June 27, 1925.

Elmer F. Helmkamp, July 1, 1925.

William P. Hepburn, July 4, 1925.

Jim T. Acree, July 17, 1925.

Charles L. Surram, July 18, 1925.

George B. Cunningham, August 1, 1925.

Solomon S. Isquith, August 8, 1925.

Edwin C. Bain, August 11, 1925.

Norman S. Ives, August 16, 1925.

Bailey Connelly, August 25, 1925.

Edward H. Doolin, August 25, 1925.

William Hibbs, August 26, 1925.

Marvin H. Grove, September 4, 1925.

Gyle D. Conrad, September 4, 1925.

Clayton S. Isgrig, September 16, 1925.

Philip R. Kinney, September 16, 1925.

John A. McDonnell, September 17, 1925.

James A. Crocker, September 20, 1925.

Harold Coldwell, September 24, 1925.

Paul R. Sterling, September 26, 1925.

Benjamin N. Ward, September 29, 1925.

Ferguson B. Bryan, October 1, 1925.

William G. Livingstone, October 4, 1925.

Frederick R. Buse, October 9, 1925.

Charles L. Hutton, November 1, 1925.

Allan D. Blackledge, November 16, 1925.

Thomas H. Binford, November 21, 1925.

Thomas T. Craven, November 23, 1925.

Perley E. Pendleton, November 27, 1925.

Walton W. Smith, December 1, 1925.

Richard P. Glass, December 6, 1925.

Hance C. Hamilton, December 17, 1925.

John V. McElduff, December 22, 1925.

Khem W. Palmer, January 13, 1926.

David A. Hughes, January 21, 1926.

Hilyer F. Gearing, January 27, 1926.

William Butler, jr., February 1, 1926.

Jesse G. Johnson, February 2, 1926.

Joseph J. Rochefort, February 6, 1926.

Andrew T. Lamore, February 16, 1926.

Arthur S. Billings, February 21, 1926.

Frank A. Davis, March 2, 1926.

CONFIRMATIONS

Executive nominations confirmed by the Senate December 17, 1926

MEMBER OF UNITED STATES SHIPPING BOARD

Roland K. Smith.

COLLECTOR OF INTERNAL REVENUE

Warren G. Price to be collector of internal revenue.

COLLECTORS OF CUSTOMS

Arthur P. Fenton.
Edward M. Croisan.
Fred A. Bradley.

DIPLOMATIC AND CONSULAR SERVICE

To be secretaries

Franklin B. Frost.
North Winship.

To be consuls

Curtis C. Jordan. Richard Ford.
Fred C. Eastin, jr. Charles W. Lewis, jr.
Curtis T. Everett.

To be vice consuls of career

William T. Turner. Joseph C. Satterthwaite.
George H. Butler. Paul W. Meyer.
John M. Cabot. W. Allen Rhode.
Noel H. Field. Nathan Scarritt.
George F. Kennan. H. Eric Trammell.
Hugh F. Ramsay.

To be Foreign Service officer, class 2

G. Howland Shaw.

To be Foreign Service officer, class 3

J. Theodore Marriner.

To be Foreign Service officer, class 4

Edward L. Reed.

To be Foreign Service officer, class 5

Benjamin Muse.

To be Foreign Service officers, class 6

James Orr Denby. William E. Chapman.
Hugh Millard. Leonard G. Dawson.
Robert R. Bradford. Robert W. Heingartner.

To be Foreign Service officers, class 7

Carl A. Fisher. Maxwell M. Hamilton.
Gustave Pabst, jr. Howard K. Travers.
Howard Bucknell, jr. James R. Wilkinson.
Harold D. Finley.

To be Foreign Service officers, class 8

Fred C. Eastin, jr. Richard Ford.
Curtis T. Everett. Charles W. Lewis, jr.

Unclassified

George H. Butler. Joseph C. Satterthwaite.
John M. Cabot. W. Allen Rhode.
Noel H. Field. Nathan Scarritt.
George F. Kennan. H. Eric Trammell.
Hugh F. Ramsay.

COAST AND GEODETIC SURVEY

To be junior hydrographic and geodetic engineers

Philip Randall Hathorne. Joe Charles Partington.
Ralph Leslie Pfau. William Murel Gibson.
Alvin Cecil Thorson.

To be aids

John Holman Brittain. Frederic Gerald Bryan.
Willard Jay Turnbull. George Alvin Nelson.
Walter Joseph Chovan. Wilbur Ryel Porter.

To be junior hydrographic and geodetic engineer

Newmann Breeden Smith.

COAST GUARD

To be district commander

Christopher J. Sullivan.

To be lieutenants

Louis B. Olson. Walfred G. Bloom.
Roger C. Heimer. Roderick S. Patch.
Lester E. Wells. William J. Kossler.
Charles W. Dean. Herman H. Curry.

To be ensigns

Charles W. Harwood. Thomas Y. Awalt.
Frederick R. Baily. Gaines A. Tyler.
John P. Murray, jr. Stanley J. Woyciehowsky.
Severt A. Olsen. Kenneth K. Cowart.
Robert C. Sarratt. Morris C. Jones.

To be temporary lieutenants

John W. Kelliher. Ben C. Wilcox.
Emmette B. Smith. Ozro H. Hunt.

To be temporary lieutenants (junior grade)

Eugene S. Endom.
Edward S. Moale.
Jarvis B. Wellman.

To be ensigns, temporary

John H. Martin. William C. Dryden.
Frank Tomkiel. Michael B. Singer.
Walter S. Anderson. Philip E. Shaw.

To be chief warrant boatswains

Lorenz A. Lonsdale. Nelson F. King.
August Anderson. Oscar Vinje.
Christian Jensen. Albert Hays.
John B. Jones. Thomas A. Ross.
Sigvard B. Johnsen. Charles Lucas

To be chief warrant gunners

Olaf Egeland.
Charles T. Thrun.
John DeCosta.

To be chief warrant machinists

Horace B. Deets. David M. Moore.
Barnett Rashin. Knute P. Floe.
Torleif Hansen. Charles Anderson.
Edward G. Davis.

To be chief warrant carpenter

Robert Grassow.

To be chief warrant pay clerk

Howard D. Brownley.

To be lieutenants (junior grade)

Seth E. Barron.
Harold G. Belford.

To be temporary ensigns

Frank K. Johnson. Hugh V. Hopkins.
Edward W. Holtz. Leslie D. Edwards.
Martin J. Bergen. Leonard M. Melka.
Chester W. Thompson. Louis J. Armstrong.
Gordon P. McGowan. Ellis P. Skolfield.
Edwin C. Whitfield. Chester A. A. Anderson.
Earle G. Brooks. DeEarle M. Logsdon.
Archibald J. Maclean. Edward E. Hahn.
John H. Reeder. James R. Hanna.
Albert J. Smalley. Dorian E. Todd.
Alton E. Borden. Dwight H. Dexter.
Ernest A. Ninness.

To be captains

John G. Berry. Bernard H. Camden.
Benjamin M. Chiswell. Henry G. Fisher.
Aaron L. Gamble. Claude S. Cochran.
Harry G. Hamlet. Herman H. Wolf.
Randolph Ridgely, jr. William J. Wheeler.

To be captains, engineering

Carl M. Green. Robert E. Wright.
Horatio N. Wood. Albert C. Norman.

To be commanders

James F. Hottel. Stanley V. Parker.
Harold D. Hinckley. Russell R. Waesche.
John Boedeker. Thomas A. Shanley.
William H. Munter. Leon C. Covell.
Philip W. Lauriat. James A. Alger.
Thomas M. Molloy. Howard E. Rideout.
Edward S. Addison. Thaddeus G. Crapster.
Muller S. Hay. Hiram R. Searles.
Ralph W. Dempwolf. George E. Wilcox.
LeRoy Reinburg. Philip F. Roach.
Lloyd T. Chalker. Raymond L. Jack.
Edward D. Jones. John J. Hutson.
James L. Ahern.

To be commanders (engineering)

Theodore G. Lewton. Michael N. Usina.
John B. Turner. Lorenzo C. Farwell.
John I. Bryan. California C. McMillan.
Charles S. Root. Christopher G. Porcher.
Robert B. Adams. Edwin W. Davis.

PUBLIC HEALTH SERVICE

To be passed assistant surgeons

Guy H. Faget. Henry A. Rasmussen.
William Y. Hollingsworth. Octavius M. Spencer.

To be assistant surgeons

Frank S. Fellows.
Ralph B. Snively.
William H. Gordon.

To be senior surgeon

John McMullen.

PROMOTED IN THE NAVY

To be rear admiral

Yates Sterling.

To be captains

Earl P. Finney.
Ralph A. Koch.
Charles S. Kerrick.
Lamar R. Leahy.
Milton S. Davis.
Sam C. Loomis.
Charles A. Blakely.
Macgillivray Milne.
Wilbur R. Van Auken.
Harold R. Stark.
James D. Willson.
Ernest Friedrich.
Martin K. Metcalf.
William Ancrum.
Thomas H. Taylor.
Frank H. Sadler.

Charles E. Smith.
Robert A. Dawes.
Daniel T. Ghent.
David M. LeBreton.
Andrew C. Pickens.
Nathaniel H. Wright.
Husband E. Kimmel.
Paul E. Dampman.
Clyde S. McDowell.
Paul P. Blackburn.
Lawrence P. Treadwell.
Arthur H. Rice.
Halsey Powell.
Forde A. Todd.
Abram Claude.

To be commanders

Francis T. Chew.
John C. Hilliard.
Archibald H. Douglas.
Rufus King.
Willis A. Lee.
Maurice R. Pierce.
Charles L. Best.
William W. Wilson.
Victor D. Herbster.
Cary W. Magruder.
William H. Pashley.
William R. Purnell.
Frederic T. Van Auken.
Kinchin L. Hill.
Charles M. James.
Eddie J. Estess.
William H. Stiles, jr.
David F. Ducey.
Edmund W. Strother.
Fred T. Berry.
James D. Smith.
Marshall Collins.
Thomas C. Kinkaid.
Selah M. La Bounty.

Harry G. Donald.
Abner M. Steckel.
Leland Jordan, jr.
John H. Everson.
James G. Stevens.
Robert R. M. Emmet.
Henry B. LeBourgeois.
Laurance S. Stewart.
Guy C. Barnes.
Cleveland McCauley.
Samuel S. Payne.
Leslie C. Davis.
Franklin P. Conger.
Raymond G. Thomas.
Aquila G. Dibrell.
Henry D. McGuire.
Edward H. Connor.
Theodore S. Wilkinson.
William W. Smith.
David I. Hedrick.
Olaf M. Hustvedt.
Alva D. Bernhard.
Benjamin V. McCandlish.

To be lieutenant commanders

Robert H. Maury.
Nelson J. Leonard.
William De Wayne Austin.
Homer W. Graf.
John B. Kneip.
James P. Brown.
Francis M. Maille, jr.
Delorimier M. Steece.
John L. McCrea.
Frederick G. Richards.
Tully Shelley.
John S. Farnsworth.
James E. Maher.
Allan E. Smith.
Leighton Wood.
Chester E. Lewis.
Harvey E. Overesch.
Stuart A. Maher.
Allen G. Quynn.
Clifford G. Richardson.
James M. Lewis.
Jonathan H. Sprague.
Isaac Schlossbach.
John J. Mahoney.

Ralph W. Christie.
Preston Marshall.
William S. Hactor.
Joseph H. Chadwick.
William D. Sullivan.
Albert Osenger.
DeWitt C. Watson.
Eugene G. Herzinger.
Henry M. Mullinnix.
Ralph E. Davison.
Don P. Moon.
Russell S. Berkey.
George F. Hussey, jr.
Thomas J. Keliher, jr.
Osborne B. Hardison.
Hugo Schmidt.
Clinton E. Braine, jr.
Laurance F. Safford.
Robert A. Awtrey.
Donald M. Carpenter.
Paul R. Glutting.
Willard A. Kitts, 3d.
Bertram J. Rodgers.

To be lieutenants

James S. Haughey.
Van Fitch Rathbun.
Harold H. Kendrick.
Frederick W. Roberts.
Chester A. Swafford.
Orville G. Cope, jr.
Charles Wilkes.
Charles A. Collins.
Elmer Kiehl.
Francis W. Beard.
Roland E. Krause.
George E. Ernest.
Joseph H. Gowan.

Homer N. Wilkinson.
Julius A. Burgess.
Joseph E. Shaw.
John L. Murphy.
Campbell Keene.
Lester G. Bock.
Nolan M. Kindell.
Caleb J. Coatsworth.
William J. Walker.
Delbert L. Conley.
Alford J. Williams, jr.
Rhea S. Taylor.
Rintoul T. Whitney.

Stanley A. Jones.
Harold J. McNulty.
Charles S. Boorman.
Emil Pohl.
George C. Hern.
Joseph W. Long.
John E. Beck.
Earl B. Wilkins.
Trevor Lewis.
Gordon M. Boyes.
Thomas O. McCarthy.
Stanley F. Patten.
Arley S. Johnson.
Dorris D. Gurley.
Wallace B. Hollingsworth, jr.
John G. Winn.
Robert E. Mason.
Francis A. Packer.
Cyril A. Rumble.
Daniel N. Logan.
William A. Hardy.
John A. Pennington.
Kenneth H. Noble.
Marion R. Kelley.
Walter E. Moore.
Duncan Curry, jr.
Alfred M. Granum.
John G. Jones.
Ransom K. Davis.
Paul R. Coloney.
James E. Hamilton.
Clarence E. Olsen.
Nealy A. Chapin.
Daniel V. Gallery, jr.
Edward E. Roth.
William B. Fletcher, jr.
Henry G. Williams.
Burton B. Biggs.
Elmer D. Snare.
Norman O. Schwien.
George H. De Baun.
Claiborne J. Walker.
William L. Rees.
Burton G. Lake.

To be lieutenants (junior grade)

Edward W. Foster.
Ferdinand C. Dugan, jr.
David W. Hardin.
Thomas D. Wilson.
Kenneth M. McLaren.
Robert W. Haase.
Harry Sanders.
Warren S. Parr.
Frederic S. Withington.
Joseph N. Wenger.
Richard G. McCool.
Marshall M. Dana.
Merrill K. Kirk Patrick.
Roy E. Carr.
Henry D. Wolleson.
Paul C. Wirtz.
Charles W. Humphreys.
Charles H. Momm.
John R. Johannesen.
McFarland W. Wood.
William H. von Dreele.
Frank V. Rigler.
Stewart Lindsay.
William A. Riley.
Elliott B. Strauss.
James H. Thach, jr.
Carl G. Gesen.
John M. Ocker.
Arleigh A. Burke.
Howard M. Kelly.
Le Merton E. Crist, jr.
Elbert L. Fryberger.
John E. Whitehead.
Kenneth P. Hartman.
Charles F. Coe.
Allen V. Bres.
John L. Welch.
Robert P. Robert.
Frederick M. Trapnell.
Richard M. Scruggs.

Talbot Smith.
Clarence V. Conlan.
George Van Deurs.
Charles F. Erck.
Edwin G. Fullinwider.
Edwin D. Graves, jr.
Thomas O. Cullins, jr.
Joseph O. Saurette.
Lucien A. Moebus.
William L. Maxson.
James R. Dudley.
Joseph F. Bolger.
William E. Sullivan.
Roy C. Hudson.
Oswald S. Colclough.
William C. Allison.
Virgil K. Bayless.
Lyman A. Thackrey.
John A. Snackenber.
Carlton R. Todd.
Thomas L. Wattles.
Gerard F. Galpin.
James Kirkpatrick, jr.
Atherton Macondray, jr.
Max Welborn.
Alexander J. Gray, jr.
George H. Bahm.
Joseph A. McGinley.
Francis J. McKenna.
Gordon B. Parks.
Charles R. Pratt.
Rutledge B. Tompkins.
Heber B. Brumbaugh.
Willis N. Rogers.
Guy Chadwick.
Campbell H. Minckler.
Edwin W. Schell.
Christopher Noble.
Timothy J. O'Brien.
Wesley C. Bobbitt.
Timothy F. Wellings.
Joseph C. Van Cleve.
Ralph E. Butterfield.

William E. Hennigar.
Thomas R. Molloy.
Edward P. Montgomery.
Joseph L. Kane.
Donald S. MacMahan.
John A. Traylor.
John D. Kelsey.
Jean P. Bernard.
Philip S. Reynolds.
Ralph J. Arnold.
Henry C. Johnson, jr.
John S. Keating.
Carl K. Zimmerman.
Leon N. Blair.
Percival E. McDowell.
John M. Wenzel.
Karl G. Hensel.
Arthur F. Dineen.
Robert H. Rodgers.
Henry G. Moran.
Charles D. Beaumont, jr.
Willis C. Parker, jr.
Frank E. Shoup, jr.
Alfred H. Richards.
Steele B. Smith.
Murvale T. Farrar.
Alan C. Davis.
Joseph E. Chapman.
Howard L. Young.
Marvin M. Stephens.
Olin Scoggins.
Harold Doe.
Francis W. Laurent.
Robert P. Wadell.
Thomas E. Boyce.
Francis D. Hamblin.
Pleasant D. Gold, 3d.
Arthur L. Maher.
Robert A. MacKerrachen.
Boltwood E. Dodson.

Henry M. Cooper.
Burton Davis.
John E. Shomler, jr.
John J. Jecklin.
Walter C. Holt.
Shirley M. Barnes.
Raymond E. Woodside.
Joseph E. M. Wood.
Daniel N. Cone, jr.
Donald E. Wilcox.
Paul B. Koonce.
Louis A. Drexler, jr.
Frank H. Newton, jr.
Thomas J. Casey.
Francis S. Drake.
Walter A. Goldsmith.
Charles H. Walker.
William P. McCarty.
William J. McCafferty.
Henry D. Batterton.
Augustus S. Mulvanity.
Francis L. Robbins.
Joseph B. Renn.
Robert M. Morris.
Julian J. Levasseur.
Joyce A. Ralph.
George A. T. Washburn.
Homer Ambrose.
James C. Guillot.
Wendell S. Taylor.
William J. McCord.
Guy M. Neely.
Wells L. Field.
Homer B. Hudson.
James H. Pierson.

To be ensigns

Edward S. Hutchinson.
Malcolm A. Hufty.

To be medical directors

Charles H. T. Lowndes.
Charles St. John Butler.
John M. Brister.
Charles G. Smith.
Ulys R. Webb.
Charles M. Oman.
Joseph P. Traynor.
John F. Murphy.
John L. Neilson.
Clarence F. Ely.
Albert J. Geiger.
Charles C. Grieve.
John D. Manchester.
James A. Randall.
Allen D. McLean.

To be medical inspectors

James P. Haynes.
Ausey H. Robnett.
Thomas W. Raison.
James M. Minter.
Spencer L. Higgins.
Renier J. Straeten.
Reynolds Hayden.
Montgomery A. Stuart.
Frank X. Koltes.
Herbert L. Kelley.
Julian T. Miller.
Harry A. Garrison.
Henry L. Dollard.
Myron C. Baker.
Elmer E. Curtis.
Charles W. O. Bunker.
Charles J. Holeman.
Montgomery E. Higgins.
George W. Shepard.
Ernest W. Brown.
Dallas G. Sutton.
William Chambers.
Kent C. Melhorn.

To be surgeons

Ashton E. Neely.
Edwards M. Riley.
Maurice A. Berge.
Frank L. Kelly.
Toson O. Summers.

David E. Roth.
Horace C. Robison.
John B. Moss.
Valentine L. Pottle.
William G. Pogue.
Philip D. Lohman.
Wallace E. Guitar.
Philip H. Jenkins.
William A. Fly.
William A. Bowers.
Paul C. Treadwell.
Edward R. Sperry.
David L. Nutter.
John A. Morrow.
Michael E. Flaherty.
Harry A. Dunn, jr.
John H. Brady.
Everett H. Browne.
John P. Larimore.
Horatio Ridout.
Francis L. McCollum.
Howard F. Green.
Victor B. Tate.
William J. Mullins.
John K. B. Ginder.
Philip A. Rodes.
James R. Andrews.
Robert E. Cofer, jr.
Graham N. Fitch.
John M. Cooper.
John W. Harper.
Harry E. Morgan.
George Castera.
Winston P. Folk.

Benjamin H. Dorsey.
Lewis H. Wheeler.
Owen J. Mink.
Harold W. Smith.
James E. Gill.
Robert E. Stoops.
Henry A. May.
William A. Angwin.
Frederick E. Porter.
Norman T. McLean.
David C. Cather.
Isaac S. K. Reeves.
Richard A. Warner.
William J. Zalesky.
William N. McDonnell.

Joseph A. Biello.
Alfred J. Toulon.
Harr H. Lane.
Ralph W. McDowell.
George C. Thomas.
Micajah Boland.
Joseph R. Phelps.
Alfred L. Clifton.
Lucius W. Johnson.
George F. Cottle.
William L. Mann, jr.
Roy Cuthbertson.
Donald H. Noble.
Glenmore F. Clark.
William M. Kerr.
Andrew B. Davidson.
William L. Irvine.
Duncan C. Walton.
Griffith E. Thomas.
Clyde B. Camerer.
Gardner E. Robertson.
William H. Connor.
Joseph J. A. McMullin.

Mathison J. Montgomery.
Hugo F. A. Baske.
Elmer F. Lowry.
Elwood A. Sharp.
Arthur S. Judy.

Hillard L. Weer.
Fred W. Granger.
William P. Mull.
Marvin M. Gould.
Cary D. Allen.

To be passed assistant surgeons

Nathaniel C. Rubinsky.
Earl B. Erskine.
Gilbert E. Gayler.
Willard S. Sargent.
Harry J. Scholtes.
James E. Root, jr.

To be dental surgeons

Clemens B. Rault.
Leon C. Frost.

To be assistant dental surgeons

Herman P. Riebe.
Eric B. Hoag.
Rae D. Pitton.
Clifford T. Logan.

To be pay directors

Herbert E. Stevens.
John F. Hatch.
Edward E. Goodhue.
William R. Bowne.
Edward T. Hoopes.
Cecil S. Baker.
Donald W. Nesbit.
Emmet C. Gudger.
Stewart E. Barber.
Howard D. Lamar.
William C. Fite.
David C. Crowell.

To be pay inspectors

Edward R. Wilson.
William J. Hine.
Kenneth C. McIntosh.
Roland W. Shumann.
Leon N. Wertenbaker.
John J. Luchsinger, jr.
William S. Zane.
Ellsworth H. Van Patten.
Joseph E. McDonald.
Everett G. Morsell.
Thomas P. Ballenger.
Frank T. Foxwell.

To be paymasters

Stephen J. Brune.
Edward R. Eberle.
Robert B. Huff.
Malcolm G. Slarrow.
Benjamin S. Gantz.

To be passed assistant paymasters

John Enos Wood.
Matthias A. Roggenkamp.
Francis M. Waldron.
Harold A. Rigby.
Russell H. Sullivan.
Lawrence J. Webb.
Henry H. Karp.
George H. Williams.
Richard A. Vollbrecht.
Samuel E. McCarty.
Robert F. Batchelder.

To be assistant paymaster

William J. Nowinski.

To be naval constructors

George H. Rock.
Charles W. Fisher, jr.
Holden C. Richardson.

To be assistant naval constructors

Harold W. Northcutt.
John B. Pearson, jr.
Henry A. Schade.
George A. Holderness, jr.

To be civil engineers

Ernest H. Brownell.
Ernest R. Gayler.
Paul L. Reed.
Archibald L. Parsons.
DeWitt C. Webb.

William D. Small.
Francis W. Carll.
Edgar F. McCall.
Roger A. Nolan.
Leo L. Davis.

William R. Manlove, jr.
Frederick C. Greaves.
Asa G. Churchill.
Rob R. Doss.
James F. Hays.
John M. Brewster.

Alvin F. Miller.
James L. Purcell.
Ralph W. Malone.

Frank T. Watrous.
John R. Hornberger.
Philip J. Willett.
Neal B. Farwell.
Elijah H. Cope.
Brainerd M. Dodson.
William W. Lamar.
Fred W. Holt.
Graham M. Ade.
George R. Crapo.
William N. Hughes.
W. Browning.

Richard H. Johnston.
Dallas B. Wainwright, jr.
William H. Wilterdink.
Frank Baldwin.
Manning H. Philbrick.
George P. Shamer.
John F. O'Mara.
John H. Knapp.
Fred E. McMillen.
William R. VanBuren.
Elwood A. Cobey.
Duette W. Rose.

Homer C. Sowell.
Morton L. Ring.
Raymond M. Bright.
Louie C. English.
Howard N. Hartley.

William F. Jones.
Arthur L. Walters.
Leslie A. Williams.
Francis D. Humphrey.
James Chapman.
Joseph E. Bolt.
Errett R. Feeney.
Richard L. Whittington.
Phillip A. Haas.
Edmund T. Stewart.

Edwin G. Kintner.
Alexander H. Van Keuren.

Robert C. Bell, jr.
William S. Kurtz.
John J. Herlihy.
Emmett E. Sprung.

Carl A. Carlson.
Walter H. Allen.
Frederick H. Cooke.
Henry G. Taylor.
Gaylord Church.

To be assistant civil engineer

Harry A. Bolles.

To be chief boatswain

Anthony Feher.

To be chief gunners

Warren C. Carr.

Francis Quotidomine.

Joseph J. Cox.

Ralph T. Bundy.

Charles B. Day.

To be chief electricians

John C. Gallagher.

Thomas Q. Costello.

To be chief radio electricians

Alexander M. McMahon.

Everett T. Proctor.

To be chief machinists

Charles Pilarski.

Edward J. Tyrrell.

John W. Cunningham.

David L. Jones.

William J. Lowe.

Vincent H. Starkweather.

William T. Crone.

To be chief pay clerks

Charles C. Jordan.

Clarence Jackson.

To be commander

Preston B. Haines.

To be lieutenant commander

Leon S. Fiske.

To be medical inspector

John B. Pollard.

MARINE CORPS

To be adjutant and inspector

Rufus H. Lane.

To be assistant quartermaster

Hugh Matthews.

To be colonel

Douglas C. McDougal.

To be lieutenant colonel

Lauren S. Willis.

To be majors

Theodore A. Secor.

William H. Rupertus.

To be captains

Harold C. Major.

George T. Hall.

Jesse A. Nelson.

Hal N. Potter.

Herman R. Anderson.

Oliver T. Francis.

Clarence M. Ruffner.

Robert C. Kilmartin, jr.

Richard Livingston.

Edward A. Craig.

Blythe G. Jones.

Julian P. Brown.

Hu H. Phipps.

Bernard Dubel.

To be first lieutenants

Augustus W. Cockrell.

John R. Streett.

Joseph DaC. Humphrey.

Franklin C. Hall.

Horace C. Busbey.

Beverley S. Roberts.

Lewis A. Hohn.

Dudley W. Davis.

William O. Brice.

John C. Donehoo, jr.

Francis M. Wulbern.

Raymond P. Coffman.

Edwin A. Pollock.

Ralph B. DeWitt.

Randolph McC. Pate.

John B. Weaver.

Cornelius J. Eldridge.

Rupert R. Deese.

Lucian C. Whitaker.

Harry E. Dunkelberger.

To be second lieutenants

Raymond E. Hopper.

Charles E. Chapel.

John R. Lanigan.

Thomas D. Marks.

Elvin B. Ryan.

Wallace Thompson.

William D. Saunders, jr.

John H. Coffman.

Marshall C. Levie.

Walter H. Troxell.

Robert H. McDowell.

David M. Shoup.

Francis B. Loomis.

Edward T. Peters.

Thomas G. McFarland.

James F. Shaw, jr.

Peter P. Schrider.

William E. Griffith.

Cyril H. Arnold.

To be chief marine gunners

Robert F. Slingluff.

Silas M. Bankert.

Thomas Quigley.

Fred Lueders.

John J. Mahoney.

William R. Perry.

William O. Corbin.

John F. Evans.

Henry Baptist.

William S. Robinson.

William L. Erdman.

James Diskin.

William T. Crawford.

Elmo Reagan.

Alvin Anderson.

Otto Wiggs.

Calvin A. Lloyd.

Eli J. Lloyd.

Reginald C. Vardy.

Jesse E. Stamper.

James Y. Astin.

John S. McNulty.

Martin Micken.

John J. Andrews.

Frank F. Puttammer.

Arthur D. Ryan.

To be chief quartermaster clerks

John W. Mueller.

Charles Sefick.

Harold H. Rethman.

Joseph H. Swan.

David L. Forde.

James E. Reamy.

Alton P. Hastings.

Charles C. Hall.

Eugene B. Mimms.

James Lippert.

Edward C. Smith.

Norman Rainier.

John D. Brady.

Charles F. Burrall.

William W. Fentress.

William J. Gray.

Harry H. Couvrette.

August F. Schonefeld.

Ray W. Jeter.

Rufus L. Willis.

Charles C. Carroll.

Samuel E. Conley.

Norman Johnston.

David C. Buscall.

Charles Wald.

Charles A. Burton.

William R. Affleck.

Frank E. Davis.

Patrick H. Kelly.

Patrick J. Grealy.

Warren C. Walker.

James F. Dickey.

Beane Eagan.

To be chief pay clerks

Frank J. Maloney.

Walter J. Sherry.

Fred S. Parsons.

Delmar J. Dee.

Alfred L. Robinson.

John S. McGuigan.

William D. Huston.

Charles W. Eaton.

Dennis Keating.

David H. McKee.

Oscar E. Gutmann.

Clarence J. Conroy.

James W. Norris.

George W. Stahl.

William H. May.

Guy B. Smith, jr.

George H. Mulligan.

Leonard J. Straight.

Cleveland A. Voss.

Harry H. Thompson.

Malcolm E. Richardson.

Benjamin H. Wolever.

Wilbur W. Raybolt.

Fred J. Klingenhagen.

Edward L. Claire.

Bernard E. Neel.

William J. Miller.

William B. Dennison.

Lawrence A. Frankland.

John J. Darlington.

POSTMASTERS

CALIFORNIA

Walter S. Sullivan, Agnew.

Lewis E. Patterson, Arvin.

Charles A. Osborn, Atwater.

Belle D. Higgins, Baypoint.

Charles A. French, Brentwood.

Martha Holway, Byron.

Fred W. Stein, Camarillo.

Harry C. Smith, Campbell.

Gilbert M. Aylesworth, Cupertino.

Bertha B. Dye, Cutler.

Marius G. Salmina, Harmony.

Frederick W. Ammann, Larkspur.

Norman F. Densmore, Laton.

Frank S. Farquhar, Livingston.

Don C. Saunders, Lompoc.

Florence E. Cornelius, Piru.

Ella B. Ackerman, Rodeo.

James B. Rickard, Santa Barbara.

Thomas D. Walker, Walnut Creek.

CONNECTICUT

Alfred A. Barrett, Berlin.

W. Kenneth Avery, Granby.

Irving S. Cook, Higganum.

W. Frank Smith, Wallingford.

GEORGIA

Amber Kidy, Allenhurst.

William F. Boone, Baxley.

Will E. Davis, Boston.

Charles E. Walton, Columbus.

Afley M. Cherry, Donalsonville.

Lewis L. Clegg, Emory University.

John C. Massey, Hartwell.
 Frederick Bonner, Perry.
 Dana M. Lovvorn, Richland.
 Watson K. Barger, Sardis.
 Thomas H. Anthony, Shellman.
 Sam Tate, Tate.
 Frank H. Moxley, Wadley.
 Minnie E. Giddens, Willacoochee.

INDIANA

John B. Fornwald, Gaston.
 William G. Beal, Goodland.
 Albert Neuenschwander, Grabill.
 Nell Manley, Laurel.
 William S. Milner, Ligonier.
 Chalmer L. Bragdon, Pendleton.

MARYLAND

Edwin L. Shaw, Cumberland.

MINNESOTA

Otto W. Peterson, Audubon.
 John Grutsch, Avon.
 Gilbert J. Brenden, Badger.
 Nan B. L. Welker, Beaver Creek.
 Olney A. Solberg, Brooten.
 Nettie Layng, Bruno.
 Marie D. Anderson, Carlos.
 Jennie L. Phillips, Clearwater.
 Emanuel Nyman, Foley.
 Claude W. Tucker, Fort Ripley.
 Clyde H. Hiatt, Granada.
 Carl J. Johnson, Hendricks.
 Gustav E. Hensel, Howard Lake.
 Edwin W. Bergman, McGrath.
 Charles A. Allen, Milaca.
 Louis A. Muckelberg, Millville.
 Arch Coleman, Minneapolis.
 Otis T. Wentzell, Moorhead.
 John T. Orvik, Nielsville.
 Erick G. Berglund, Pennock.
 William H. Bergman, Plato.
 Claire M. Peterson, Stanchfield.
 Charles Olson, Sturgeon Lake.
 Thorvald H. Froslee, Vining.

MISSOURI

John T. Garner, Carrollton.
 Paul L. Horner, Caruthersville.
 Emmet L. Gaffney, Craig.
 Jesse W. Brown, Crane.
 William F. Clardy, Ethel.
 William T. Thompson, Eugene.
 Clarence Wehrle, Eureka.
 Charles E. Bedell, Hale.
 William L. Moorhead, Hopkins.
 Samuel A. Chapel, Monett.
 Charles E. Colinet, Monticello.
 Joseph W. Steinmeier, Puxico.
 Virgil Snee, Sugar Creek.
 Addie Erwin, Thayer.

NORTH DAKOTA

Ollie M. Burgum, Arthur.
 George T. Elliott, Leonard.
 Francis R. Cruden, McHenry.
 Nels D. Nelson, Milnor.

OHIO

Annie Turvey, Amsterdam.
 Berman K. Smith, Arcanum.
 Gertrude Stormont, Cedarville.
 George R. Warren, Groveport.
 Fred G. Bates, Madison.
 William F. Lyons, Mentor.
 Frank P. Johnson, Pataskala.
 Dwight D. Fierbaugh, South Euclid.
 Josiah T. Gibson, Waverly.

OKLAHOMA

Grace S. Prentiss, Fairfax.

PENNSYLVANIA

Daniel Jones, Coaldale.
 Jennie C. Sample, Crum Lynne.
 Everett E. McBride, Dravosburg.
 Wilson R. Kulp, Hatfield.
 Paul M. Seaber, Lititz.
 Eva Leedom, Primos.

Guy D. Baer, Rohrertstown.
 Samuel B. Simonton, Swineford.
 Charles B. Illig, Womelsdorf.

SOUTH DAKOTA

George E. Baker, Aurora.
 Louis E. Castle, Britton.
 Knute T. Kallander, Burke.
 Floyd V. Stephens, Canova.
 Dennis J. Delaney, Custer.
 Carl H. Kubler, Deadwood.
 Marcia Ford, Hill City.
 Hoyt S. Gartley, Nisland.
 Percy R. Micklebost, Peever.
 Reynold H. Peterson, Pollock.

TENNESSEE

Byrd S. Bussell, Greenbrier.
 Burgess W. Witt, Jefferson City.

VERMONT

Flora S. Williams, Charlotte.
 Perley U. Mudgett, Johnson.
 Charles A. Bourn, Manchester Depot.
 Alvi T. Davis, Marshfield.
 William J. Wright, Montgomery Center.
 Cecil K. Hughes, Saxtons River.
 William T. Mead, Underhill.

WASHINGTON

Frank Morris, Bordeaux.
 Richard B. Caywood, Charleston.
 Jesse R. Imus, Chehalis.
 Edith M. Lindgren, Cosmopolis.
 Mark L. Durrell, Deer Park.
 Grover C. Schoonover, Odessa.
 Frank S. Clem, Olympia.
 Marion J. Rood, Richmond Highlands.
 Selina Laughlin, Vader.
 Raymond M. Badger, Winthrop.

HOUSE OF REPRESENTATIVES

FRIDAY, December 17, 1926

The House met at 12 o'clock noon.

The Chaplain, Rev. James Spera Montgomery, D. D., offered the following prayer:

Lord God of hosts, amid the confusions and the contradictions of life we know that Thou art good. Thou dost bring music out of discord, contentment out of failure, and morning out of evening. Darkness is the wing of Thy mercy and silence is the breath of Thy kindness. In our words, temper, and conduct may there be thought, calmness, and authority. We would have our energies, our efforts, our desire for achievement declare loudly for the principles of right and justice. Do Thou always incline our hearts to keep Thy law. Through Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

ALIEN PROPERTY

Mr. GREEN of Iowa. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 15009, the alien property bill, and pending that motion may I have the attention of the gentleman from Mississippi. I am advised that the gentleman from Mississippi wants more time in general debate.

Mr. COLLIER. I would like to inquire how much time I have left.

The SPEAKER. There is 20 minutes more of general debate. Mr. COLLIER. I have requests for 75 minutes of time, which would mean 55 minutes including the 20 minutes. I do not know whether all that time will be used or not.

The SPEAKER. There is a total of 20 minutes remaining, of which the gentleman from Iowa [Mr. GREEN] has 13 minutes and the gentleman from Mississippi 7 minutes.

Mr. TILSON. May I ask the two gentlemen whether with this extension the bill can still be brought to a vote before the day is over?

Mr. COLLIER. I hope so, although I do not know.

Mr. TILSON. I ask this on behalf of a number of Members who have made other engagements which they would like to fulfill if the bill could be brought to a vote to-day.

Mr. GREEN of Iowa. I have some doubt about it, although I anticipate we will proceed right rapidly under the five-minute rule. I was just going to ask the gentleman from Mississippi if it would be satisfactory to have the general debate extended 1 hour and let me have 15 minutes of it.

Mr. COLLIER. That will be perfectly satisfactory and I think we can get through to-day. I will say to the gentleman from Connecticut, Mr. Speaker, this is a rather technical bill and there are perhaps two matters connected with the bill that are going to take up some time under the five-minute rule, one in reference to failure of the bill to provide for the owners of German securities and the other with respect to the valuation of the ships and the insurance claims. I anticipate that with those out of the way we can proceed very rapidly. I think it might be well when one or two of these matters come up for us to fix the time for debate on them. I am very hopeful we may conclude the consideration of the bill to-day, and I think we can.

Mr. TILSON. I would like very much to have that done for the convenience of a number of Members of the House, and I hope the gentlemen will do what they can toward bringing about that result.

Mr. GREEN of Iowa. Mr. Speaker, I ask unanimous consent that the time for general debate be extended 1 hour, 45 minutes of which shall be under the control of the gentleman from Mississippi and 15 minutes under my control.

The SPEAKER. The gentleman from Iowa asks unanimous consent that the time for general debate upon this bill be extended 1 hour, 45 minutes of which is to be controlled by the gentleman from Mississippi [Mr. COLLIER] and 15 minutes by himself. Is there objection?

There was no objection.

Mr. BLANTON. Mr. Speaker, before the Chair puts the motion, may I propound a parliamentary inquiry to the Speaker?

The SPEAKER. The gentleman will state it.

Mr. BLANTON. The Speaker very properly, in referring the annual report of the Comptroller General to Congress, had it printed, which was in accord with the rules of the House. May I ask the Speaker whether or not in referring the McCarl report on St. Elizabeths yesterday, which was made in response to the action of Congress, he ordered that report printed, which he could have done under the rules? It is a voluminous report and we can not get copies of it, although we need them very much.

The SPEAKER. The matter was referred yesterday, but it appeared that the report is very voluminous and is filled with a large mass of statistics and the Chair did not think it was necessary to print it unless there was a very large demand for it.

Mr. BLANTON. There is a demand for it, and even the members of the Gibson committee can not get copies of it. We are very much concerned in it and the report is valueless unless we can get copies. General McCarl, in response to a joint resolution passed by both Houses, has spent three months this summer in making the investigation, and unless we can get copies of the report, it is practically valueless.

The SPEAKER. The Chair is informed the report is very long and consists of a large number of typewritten pages. The cost of printing it would be very large, particularly with reference to publishing the tables of statistics.

Mr. BLANTON. But it could come within our limitation of cost and the regular provisions of the general rules.

The SPEAKER. It could be printed and the Chair would order it printed if there were a general demand for it.

Mr. BLANTON. There is great demand for it, and even the members of the committee can not get copies of it. They have not access to the report.

The SPEAKER. The Chair will take the matter under consideration.

Mr. GREEN of Iowa. I renew my motion, Mr. Speaker.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 15009) to provide for the settlement of certain claims of American nationals against Germany and of German nationals against the United States, for the ultimate return of all property of German nationals held by the Alien Property Custodian, and for the equitable apportionment among all claimants of certain available funds, with Mr. MAPES in the chair.

The Clerk read the title of the bill.

Mr. GREEN of Iowa. Mr. Chairman, I yield 12 minutes to the gentleman from New York [Mr. LaGUARDIA].

Mr. LaGUARDIA. Mr. Chairman, all members of the committee who presented the provisions of this bill explained the

extreme difficulty they had with the many technicalities involved. That Members of the House could thoroughly analyze this bill in the time which we have had, study the report and the hearings, of course is impossible. I did devote some time and thought to the general provisions of the bill. I find that claims are divided into certain classes with priority of payments in order to meet available funds. In so doing we necessarily retard the complete return of property belonging to German nationals now in the custody of the Custodian of Alien Property. The bill provides for the return of 80 per cent.

A great measure of this delay in the return of alien property and the necessity of creating priority of American claims is due to the admission in this bill of the so-called insurance claims. It is my firm conviction that these insurance company claims have no place in this bill, and I, for one, believe that no one can justify their inclusion. I do not believe there is a Member on the floor of the House who can justify the inclusion of insurance company claims in this bill. You listened yesterday to a masterful and able presentation of the bill by the gentleman from New York [Mr. MILLS]. But he failed to make a case on behalf of the insurance companies. He pointed out or sought to explain why the claims of the United States presented by the Veterans' Bureau were placed down in class 12 and the very last in the order of payment. He stated in clear and unmistakable language that it was quite proper that the Veterans' Bureau should wait, because the claims were for war-risk insurance, and that the Veterans' Bureau, as a matter of fact, had conducted its business at a profit. The gentleman from New York stated that the claim of the Veterans' Bureau, which amounts to \$24,319,095.41, properly belonged at the foot of the list. Let me make it clear that these claims awarded to the Veterans' Bureau are exactly the same, the very same character and for like losses, of claims awarded to the insurance companies.

On exactly the same footing you have claims of private insurance companies amounting to several million dollars; and I have here 12 claims, each over \$1,000,000, allowed by the Mixed Claims Commission to various insurance companies.

The only justification for the claims of the insurance companies before the Mixed Claims Commission is what? That the insurance company is subrogated to the right of the insured. Only on that principle were the claims considered by the commission. But we are not the Mixed Claims Commission. We are here considering the return of the property taken into custody by the United States Government belonging to German nationals at the time of the declaration of war against the Imperial German Government and "advancing"—to use the word of the bill itself—payment to American claimants.

The gentleman who argues that the companies are subrogated to the rights of the insured can not escape the real situation that here we are not dealing with a legal right but simply a concession, if you please, a favor in the way of advancing payment which the United States Government is according United States citizens, the United States, of course, to be reimbursed from payments made by the German Government.

I will read the definition of subrogation by Frederick Templeman, of the British bar, and an authority on marine insurance:

Subrogation is the right by which an underwriter, on his settling a loss, is enabled to place himself in the position of the assured to the extent of acquiring all rights and remedies in respect to the said loss which the assured may have possessed, either in the nature of proceedings for compensation or recovery in the name of the assured against third parties or in obtaining general average contribution thereto. (Marine Insurance: Its Principles and Practice.—Templeman.)

Here we have an American authority, and I read from William T. Winter, special lecturer on marine insurance of New York University, who explains in detail the rights of insurance companies under the principle of subrogation. Incidentally Mr. Winter is vice president of the Atlantic Mutual Insurance Co., whose claim for \$2,000,000 would be advanced under this bill. He surely will smile when his companies get the United States check in payment, if the gentlemen of this House vote for such payment under the impression that insurance companies have any right in this bill under the doctrine of subrogation. I mention this because several Members have justified the provision in the bill on that theory. This is what Mr. Winter says:

The right of subrogation: No consideration of the subject of marine losses would be complete without making some reference to the right of subrogation. While the underwriter may be liable under the policy of insurance for the loss incurred, it does not necessarily follow that he alone is responsible for the injury suffered. In many cases there arises, because of the accident causing the loss, a liability on the part of some third party to respond for the injury suffered by the assured through

the damage or destruction of his property. Thus in a collision case it often happens that one of the colliding vessels alone is at fault and consequently is liable for the damage caused, except in so far as such liability may be limited by law. This liability on the part of the colliding vessel does not, however, exonerate the underwriters of the innocent vessel from their obligation to the owner under their policies of insurance. It would be manifestly unfair, however, for the underwriters to respond for the loss and for the owner to retain his right of action against the owners of the offending vessel. Accordingly, in order that the equities may be preserved, upon the payment of loss by the underwriters they are by law vested with the benefits accruing from the right of action which has arisen in favor of the assured. This is known as the right of subrogation. Through this right the underwriter is clothed with all the benefits arising from claims against third parties which have arisen since the date of the casualty, and the assured is obligated to lend his name and good offices in the collection of such claims. The expense of collection, legal and otherwise, will, of course, be assumed by the underwriters in proportion to the interest which they have in the claim. If the settlement under a policy covering the entire interest has been for a total loss, the underwriter is entitled to the benefit of the right of action in full; if, on the other hand, the loss is but partial or the property is not fully insured, the underwriter will be subrogated only to the extent that the assured has been indemnified. The right of subrogation arises at the moment of payment. (Marine Insurance—Winter.)

But there are no such rights here. We have a different state of facts entirely. The insurance companies have already received the full measure of benefit under the principle of subrogation. They took the losses of their insured, they subrogated themselves in the place of the owner of the ships or the owner of the cargo, they prepared their claims, and appeared with them before the Mixed Claims Commission. The Mixed Claims Commission it is obvious recognized the principle of subrogation and awarded the various insurance companies the several awards amounting to several million dollars, which you gentlemen will find in the hearings, commencing on page 411. I will not at this time enter into a discussion as to whether the Mixed Claims Commission was right or wrong. They have made the award, their decision is final, and there is no appeal. Germany is paying for it, or rather will pay in due time. I will say, however, in passing, that a previous Congress before the so-called *Alabama* case was settled, took the necessary precaution that insurance companies which had suffered no actual loss could not possibly obtain an award. To the gentlemen who feel that no award should be made to insurance companies who suffered no actual loss, I will say that it is too late. That should have been attended to at the time the Mixed Claims Commission was created, or authorized, and the formula made so that in making awards these insurance companies could not have received the generous treatment that was actually accorded to them. But because one mistake was made, at least a mistake in my way of thinking and I believe there are many of my colleagues who share that belief, why should we make another mistake now and provide advance payment for these insurance companies at the expense, I mean expense, in time an amount of first payments, of American claimants as well as German nationals awaiting the return of their property? The insurance companies suffered no loss. In referring to insurance companies, of course, I mean the marine insurance companies listed among the claimants receiving award from the Mixed Claims Commission. Just look at their position! They received the premiums covering all their war-risk insurance.

They have paid all the losses; and the reports of the companies themselves, which can be found in Best's Insurance Reports, Fire and Marine, 1918, will show that every one of them receiving awards here of over a million dollars paid these risks and at the end of the war were way ahead of the game. Every one of them paid dividends or divided earnings all the way from 10 to 48 per cent. Now they find themselves in the position of having received awards of millions of dollars, and when it comes in it will be all velvet, all clear, clean profit beyond the wildest expectation of their most greedy stockholder. Now, in considering this bill it is unfair to eliminate these marine insurance companies from advance payments and let them wait until the German Government sends the money specifically paying their award? In other words, just as we treat in this bill the award made to the Veterans' Bureau for similar claims that it must wait until all the other claims are paid, we should classify insurance company claims and put them down in No. 12 along with the Veterans' Bureau award.

Oh, I have heard it said, and I am sure it will be repeated, that these "poor companies" deserve consideration; that they really sustained losses; and there are briefs and statements, figures and statistics filed with the committee—and you will

find them in the hearings—sustaining the insurance companies' contention that they sustained great losses, are deserving, and should be included in this bill along with the other American claimants. Here are some of the figures taken from Best's Reports, and no one will deny the accuracy of these figures. I will give you the awards made by the Mixed Claims Commission in each case.

Listen to this: The Insurance Co. of North America was awarded \$5,134,814.76. On December 31, 1918, its net surplus was \$6,000,000. The dividends in 1917 amounted to 17.2 per cent and in 1918 amounted to 16 per cent.

The Globe & Rutgers Fire Insurance Co. was awarded by the Mixed Claims Commission \$6,591,422.92. Their net surplus on December 31, 1918, was \$8,824,000. Their dividend in 1917 was 36 per cent and in 1918 48 per cent.

St. Paul Fire & Marine Insurance Co. awarded \$2,315,247.41. Net surplus, 1918, \$4,304,535.95. Net surplus, 1917, \$3,997,135.49. Marine losses, 1918, \$2,819,268. Marine, 91.1 per cent of policies written and premiums were \$10,488,009.14.

Fireman's Fund Insurance Co. awarded \$1,267,377.07. Net surplus, December 31, 1918, \$4,017,108.05. Total income, 1918, \$14,309,891.34. Total disbursements, 1918, \$13,458,463.09. Dividends paid, 1917, 16 per cent; 1918, 20 per cent.

Federal Insurance Co. awarded \$2,379,381.78. Net surplus, 1918, \$1,321,964.39. Total income, 1918, \$4,930,711.25. Total disbursements, 1918 (including dividends), \$4,612,842.53. Dividends paid, 1916, 14 per cent; 1917 and 1918, 19 per cent.

Aetna Insurance Co. awarded \$1,848,129.77. Net surplus, December 31, 1918, \$8,904,032.69. Total income, 1918, \$19,514,524.24. Total disbursements, 1918, \$16,854,046.36. Dividends paid, 1916 to 1918, inclusive, 20 per cent.

American Merchant Marine Insurance Co. awarded \$1,221,708.14. Net surplus, 1918, \$1,271,441.68. Net surplus, 1917, \$612,868. Dividends, 1919, stock \$100,000.

Providence Washington Insurance Co. awarded \$1,401,568. Net surplus, 1918, \$2,142,188. Dividends paid, 1916, 10 per cent; 1917-18, 12 per cent.

Atlantic Mutual Insurance Co. allowed \$2,153,854.97. Net surplus, December 31, 1918, \$3,825,921.23. Total net income, 1918, \$6,636,257. (This is less reinsurance premiums.) Total losses paid, 1918, \$1,919,054.05. Total income, 1917, \$9,883,020. Total expenses, 1917, \$3,530,495.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. GREEN of Iowa. Did the gentleman read the testimony as to the actual profits made by these marine insurance companies during the war?

Mr. LAGUARDIA. Yes; I will come to that.

Mr. GREEN of Iowa. I do not see what the gentleman is reading now has to do with this matter.

Mr. LAGUARDIA. It has everything to do with it. I am reading actual facts and actual profits. Here are the companies that were awarded millions of dollars paying these dividends. The committee, I know, were told of a few little cockroach companies, little cootie companies, formed during the war, with no financial backing, and after they suffered one or two losses went fluey; they were expected to go fluey when they were organized. Some of these companies the gentleman from Iowa [Mr. GREEN] refers to, although they went broke later on, actually made money during the war.

Mr. GREEN of Iowa. If the gentleman wants to indulge in imagination, well and good.

Mr. LAGUARDIA. All right; let us see if I am indulging. I shall take one company for the gentleman, namely, the North Atlantic Insurance Co. The American agents came before the commission and said that this poor company went into the hands of the State superintendent of insurance. A great deal of sympathy was expressed for this company. In 1918 they had a net surplus of \$161,000. This was one of these mushroom companies organized during the war. It was authorized to do business on August 24, 1917. In 1918 their total income was \$1,057,000 and their total disbursements \$272,370. If that company went broke, if that company went bankrupt, there was something wrong with its management. It was not due to its war business, because the war was over at the end of 1918. The gentleman can not escape that. If they had poor management or if it purposely went on the rocks subsequent to the ending of the war, that is not the fault of its war business, because it actually made money during the war.

Mr. GREEN of Iowa. There is no claim that there was a loss on this war business, but we have had that matter carefully calculated on the total war business, and it showed a small profit.

Mr. LAGUARDIA. Will the gentleman state under what principle he includes these war-insurance claims in his bill?

Mr. GREEN of Iowa. I shall when I come to them.

Mr. LAGUARDIA. My proposed amendment will not mean that the insurance companies will receive no payment. They would in due time receive payment from the proper sources; but if we exclude them from this bill you will be able to increase your percentage of property payments that you are to return to German nationals and you will be able to pay almost in full all of the American claims; and at the proper time I am going to introduce an amendment to that effect. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. COLLIER. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. JACOBSTEIN].

Mr. JACOBSTEIN. Mr. Chairman and members of the Committee, in the few minutes at my disposal it is, of course, impossible, even if it were necessary, to discuss the technical provisions of the measure before us. This bill—H. R. 15009—provides for the settlement of American claims against Germany and of German nationals against the United States, as well as the return to German nationals of all property in the hands of the Alien Property Custodian.

First, let me say that having studied this subject for several years I feel that the membership of the House is under a debt of gratitude to the Ways and Means Committee for having brought into the House a bill which has the unanimous approval of the membership of that committee. The unanimous agreement is all the more remarkable because of the many conflicting interests involved in the settlement. Over \$500,000,000 of assets will be turned back or paid out to American and alien claimants.

I am going to vote for the bill. It is not perfect by any means. There are some American claimants who will not receive the protection they are looking for and expect from us at this time. I know from the letters that I have received that some American citizens who had claims against Germany are going to be disappointed. On the other hand, German claimants are going to be disappointed, too, in not receiving full and immediate restitution of their seized property.

I am going to vote for the bill, first, because it reaffirms and proceeds on the sound American policy of refusing to confiscate private property seized in time of war. This policy goes back to the treaty with Prussia of 1785 and reaffirmed by treaty with Prussia in 1799 and 1828. This broad and just principle was laid down by us in the famous Jay treaty with Great Britain in 1794. Great American statesmen, from Benjamin Franklin and Thomas Jefferson down to the present time, have enunciated this American doctrine.

All claimants are going to be repaid in full eventually. Some, especially those Americans having claims for personal injury, will receive immediate and full payment aggregating \$3,630,220.14. There are 391 claims of this kind for death and personal injury.

All claims, both American and alien, not exceeding \$100,000 will be paid in full immediately. There are 2,142 claims of this character.

Then there are 178 claims, American and alien, whose awards exceed \$100,000, but who will receive in each case an immediate payment of \$100,000 each.

The balances due all of these claimants will be paid in full running over a period of about 26 years.

The United States Government obligates itself to pay for the ships, radio stations, and patents seized by us during the war and belonging to German citizens. This amount is not to exceed \$100,000,000, the exact sum to be determined by an arbiter appointed by the President of the United States. A special appropriation will have to be made out of the public Treasury for this specific purpose. But the first appropriation is not to exceed \$50,000,000.

My only regret is that immediate and full payment can not be made to both American and German claimants. But as there was not on hand, or immediately available, sufficient funds for this purpose, the next best solution has been provided for. Immediate and full payment would have required a special appropriation out of the taxpayers' pockets, and this the committee refused to recommend.

I think it can be fairly stated that the German claimants have received as much, if not more, consideration in the settlement of their claims than the American claimants.

The attitude of many American claimants is well reflected in a telegram which I received from an American claimant residing in my district, which reads as follows:

HON. MEYER JACOBSTEIN,
House of Representatives:

Thank you for telegram and bill. Treatment accorded us is unfavorable compared with German nationals, but half loaf is better than none. Would rather have this bill passed than another postponement.

E. G. MINER.

If it had been possible to disregard the awards made by the Mixed Claims Commissions, I would have preferred that this Congress set aside some of the claims of the private insurance companies, and would have placed upon all of them the burden of proving that they had suffered actual losses over and above the premiums they collected and the expense of operating business, including the normal return on their investment. In any event, I shall vote for an amendment to defer their payments, giving other claimants priority.

If it were possible, I would modify the awards of the claims commission in respect to loss of American life.

As I stated at the outset, I am going to vote for the bill, and I hope it passes. To reject it would unfortunately protract a settlement which has been hanging fire too long. This Congress should settle this question now.

Mr. COLLIER. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. OLIVER].

Mr. OLIVER of New York. Mr. Chairman and gentlemen of the committee, I am very heartily in favor of this bill. I took the liberty some time last spring of presenting a plan to the Committee on Ways and Means to solve this situation, and that brought me into contact with the difficulties involved.

In October, 1917, we created the Alien Property Custodian's office by law. At that time we had claims against Germany, claims since July 31, 1914, the outbreak of the European war. The *Lusitania* had been sunk, American citizens in Germany had their plants taken over in various places by the German war régime.

When we passed that act we knew we would have more claims as our own participation in the war progressed. Every utterance on the floor of the House, nevertheless, and every intimation from the President of the United States and all the departments of the Government showed that the money and property sequestered by that act was to be a trust fund for the benefit of those who owned it at the date of seizure. There was not any question about it at all. Our claims had already arisen. We were in the midst of a war, with more claims arising every day. It was the most self-controlled, dispassionate piece of legislation that America enacted at that period. There was no anger, there was no hatred, there was no vengeance, there was no vindictiveness in it. It contained our highest ideal of justice. Time went on. The war ended, and after that we decided we would enter into negotiations to get back our army of occupation claims. We delayed and delayed and sidestepped negotiations until in 1925 we finally secured an agreement under the Dawes award by which payments would be made on our army of occupation claims beginning September 1, 1926. We also secured a reimbursement of 2½ per cent of the total reparations in settlement of our American citizens' claims against Germany. The calculation is that would pay our American claims in 80 years. We agreed upon the Berlin treaty in 1921, which made the German trust fund in possession of our Alien Property Custodian a security for the payment of the American claims. Under the terms of that treaty that property was to be held as security until suitable provision was made by the German Government for the payment of American private claims. My contention is that we switched the trust fund into a security. We made it more or less a reprisal proposition, not confiscation, but decided to hold it until we could get the Germans to pay our American claims. They made the effort to pay, and they will pay in 80 years under the Dawes plan, and it is up to this Congress to determine under the terms of the Berlin treaty whether that is a suitable provision for the payment of the American claims. I claim in common sense it is not. But in common sense I would return the trust fund to-day. But we are here in Congress dealing with a conglomerate quantity, called the legislative mind, the eccentricities of which can not be explained.

I am going to compromise my point of view with the point of view of the other man. I am going to look for a solution, not for difficulties. He can not impose his point of view upon me and I can not impose my point of view upon him. The Ways and Means Committee fortunately steps in between the contending factions. It says to all claimants involved, "Step up and make a compromise with each other." The German aliens met the situation in the proper spirit. They surrendered a portion of their property, 20 per cent, for a period. The Federal Government would have a preferred payment of \$60,000,000 due to the activities of the War Risk Insurance Bureau. The Government has agreed to give up the preferred status of that claim as its part of the bargain. The American claims receive a part payment of their money now, and a part payment subsequently. All three have entered into a combination and have their agreement to compromise their difficulties. They come in here and offer a bill to the committee. The committee did well to accept the proposition.

I want to hold the ideal as the thing to be considered, but between the ideal and the real there is a great chasm. This bill seems to be the bridge that crossed the chasm between the ideal and the real. There may be many defects in the proposition. In giving back 80 per cent of the German property immediately you are giving a substantial proof of your belief in the ideal that that fund is a trust fund. When you withhold 20 per cent, you are withholding something to meet and square with that practical fact contained in the Berlin treaty that Germany must make suitable provision for payment of American claims or else leave the German alien property as security for those claims. The gentleman from New York wanted to know if the war-risk insurance fund was set back.

Mr. LAGUARDIA. If the gentleman will yield. No; I quite approve of that. I wanted to know why similar claims were not put on an equality with the war-risk claims?

Mr. OLIVER of New York. The German alien property is security for the payment of American claims, not American Government claims. The American Government, in attempting to solve this situation has got to enter into the bargain to secure a workable agreement, and the Government claim is to be deferred.

Mr. LAGUARDIA. The gentleman will understand, of course, that this is not a Government claim in the real sense of the word.

Mr. OLIVER of New York. I understand it is.

Mr. LAGUARDIA. Oh, no. It is for claims for losses incurred by reason of the fact that the Government went into the war-risk insurance.

Mr. OLIVER of New York. Yes. But it goes right into the Public Treasury, and not to a private individual. It comes under that section of the Berlin treaty where the German security here is not security for that claim; and as for any company involved in this bill—insurance, Standard oil, bank, or anything else—what comes from the Dawes reparations payments is held in trust in the Treasury Department for the payment of those claims.

There is no question about that. Whether those companies made a profit on the war or not was not the calculation. The calculation was whether they were damaged in contravention of the doctrines of law by which America safeguarded her citizens since we became a Nation. Every State holds the doctrine that an insurance company is subrogated to the rights of the insured. We can not go far wrong in international or domestic policy as long as we follow the practice of every State in the Union.

Mr. LAGUARDIA. We are not disturbing the doctrine of subrogation at all. Those institutions have already received subrogation. They have not suffered an actual loss.

Mr. OLIVER of New York. As to the insurance companies, you would put them in if they suffered a loss and out if they made a gain. We have got to put them down here in accordance with the established rule of justice—not of profit and losses.

Mr. LAGUARDIA. But you are doing that to the detriment of the people who actually lost their lives and their property.

Mr. OLIVER of New York. Not at all. Those people are paid immediately. Those people, the minute this bill is signed by the President, will get their claims. If a personal-injury damage is sustained, the claimant gets his money immediately out of the fund made up under the terms of this bill. I think there is no question about that.

Mr. GREEN of Iowa. All the rest will get \$100,000, and the American claimants agree to this.

Mr. OLIVER of New York. Yes. The small claims are paid first; the large claims last. Every one of the large claims is owned by some big company which has helped to maintain our international trade. We ought not to go back on them because they are big traders.

Mr. JACOBSTEIN. Mr. Chairman, will the gentleman yield there?

Mr. OLIVER of New York. Yes.

Mr. JACOBSTEIN. You accept, then, the validity of the award made by the Mixed Claims Commission?

Mr. OLIVER of New York. Yes; I think that is final.

Mr. JACOBSTEIN. Is it necessary that this Congress be bound by that Mixed Claims Commission award?

Mr. OLIVER of New York. No; it is not necessary that the Congress be bound by the mixed-claims award in making adjustments under this bill of priorities. In that we are final. We have power here to make any compromise we want to with reference to the American claims; but whether the Congress is bound by the Mixed Claims Commission award or not, the Dawes reparations payments must, under the law of 1896, be paid by the Secretary of the Treasury to the beneficiaries, and he holds the money for the benefit of the beneficiary. We

can not disturb the final payment of our claims through the Dawes reparations. What we are trying to do is to release \$300,000,000 worth of German-alien property which is held as security for the payment of \$179,000,000 worth of the claims of American citizens against Germany.

The German alien fund is stagnant. It is worse than wasted. The American claims represent the collectible losses of our citizens under the rules of international law. They can not be paid under present arrangements for 80 years. We can do substantial justice to both. We need not compromise with principle. We ask for time to fulfill the terms of two principles hard to reconcile—one the theory that the German property is security for the payment of American claims; the other that the German alien property is a trust fund. Under the terms of this bill each principle is substantially recognized without destroying the other. Substantial justice will be done immediately. Those who must wait for their money have consented to do so in a fine spirit of cooperation for the achievement of substantial justice.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. DICKINSON of Missouri. Mr. Chairman, I yield 10 minutes to the gentleman from Oklahoma [Mr. McKEOWN].

The CHAIRMAN. The gentleman from Oklahoma [Mr. McKEOWN] is recognized for 10 minutes.

Mr. McKEOWN. Mr. Chairman and gentlemen of the committee, this bill shows evidence of a very great study and a great effort on the part of the committee to arrange a fair settlement of the claims arising under the war-time legislation.

I want to say this, however, that there is one principle in the bill to which I can not subscribe from the standpoint of the American taxpayer. President Wilson at the time this property was seized appointed a board to fix the value of the ships at that time. It was done for no other reason than that he looked forward to the time when the Congress of the United States would carry out the traditional policy of this country to pay for that property. Why value the property if it was not for the purpose of fixing the amount which the Congress of the United States would vote to pay when the time came to settle after the war?

Now, what is the difference in this bill? As a matter of grace this \$33,000,000 is fixed as the value. We all know that a great number of those German ships were here as auxiliaries to the German Navy. I think they destroyed a great many of them. Will any gentleman appear on the floor of this House and say that the committee did not have any evidence of the damages done to those vessels? I say, why did you not call before you the gentleman who seized those vessels? If you did that you would find out how they were damaged.

Mr. GREEN of Iowa. The Germans will have to pay for that destruction. There will not be any difficulty in ascertaining what it was. The people who examined those ships made a record of their condition. We did not make any record of it because it was not material to our discussion.

Mr. McKEOWN. The thing to do in this bill is to appropriate \$33,000,000, the value of those ships; appropriate it now. The next thing to do is to appropriate \$434,000 for the value of one radio station. I hear talk about two radio stations, talk to the effect that we seized two radio stations, but we find that one was French. Gentlemen have argued in this committee all the time about two radio stations belonging to the Germans. That is the impression that has been made here.

Mr. MURPHY. What is the value of that station?

Mr. McKEOWN. Four hundred and thirty-four thousand dollars. Instead of following the valuation fixed by Woodrow Wilson when he was President, which was \$33,000,000, you propose to give somebody the right to increase that up to \$100,000,000. Why have an arbiter appointed? They were valued by the men who at that time were acquainted with the true value.

I am in favor of appropriating outright \$33,000,000 to pay for those ships, and \$434,000 to pay for the radio station, and \$10,000,000 to pay for the patents, and have them adjudicated and awarded by men trained in patent values.

Mr. WAINWRIGHT. Mr. Chairman, will the gentleman yield for a question?

Mr. McKEOWN. Yes.

Mr. WAINWRIGHT. What was the exact value placed on those ships by the board?

Mr. McKEOWN. Thirty-three million dollars. We are simply doing it to carry out the policy of this country. In law we do not have to pay a penny, and everybody knows it.

Mr. GREEN of Iowa. Two valuations were made. One valuation fixed the value at \$250,000,000.

We ought to deal with this matter with some pretense, at least, of fairness. Both of these valuations were ex parte matters. No testimony was heard that could be received in

court. It was just the American side that was heard at that time.

Mr. McKEOWN. Well, let me say this to the gentleman: Where is there any other side? We are doing this as a matter of grace; we are paying this money out of the Treasury of the United States as a mere gift, as a mere matter of grace, to carry out the traditional policy of this country.

Mr. GREEN of Iowa. No; we are paying it as a matter of justice, and we ought to pay the fair value.

Mr. McKEOWN. Why did President Wilson have that valuation made if it was not for the purpose of fixing the value at that time so that Congresses in the future could carry it out? Gentlemen know that as time goes along these claims increase in value. Certainly the gentleman has not forgotten the citation that was made to his committee of the Seminole award, where some fellow had some corn broken down; he received a settlement of \$157; then he came to Congress and got \$10,000 more, and in a few years more he got another sum from Congress. I believe that is what President Wilson had in mind when he had this valuation put on these ships. At that time the valuation was put at \$33,000,000, and that is all the taxpayers of this country ought to be required to pay.

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. NEWTON of Minnesota. I merely want to suggest that the difference in valuation between the \$33,000,000, which the gentleman has mentioned, and the \$250,000,000, which was set by the Shipping Board, was probably due to the fact that one of them took the value as of the time when the ships were seized and interned and the other took the valuation when they were on the high seas and being used.

Mr. McKEOWN. I will say to the gentleman that if they had stayed on the high seas they would not have been worth a dime, because they would have been seized by an enemy and confiscated, as the English have confiscated other ships.

Mr. O'CONNELL of New York. Will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. O'CONNELL of New York. Does not the gentleman think that the board composed of naval officers of the United States to determine this value is about the best judgment we could receive?

Mr. McKEOWN. I believe that is absolutely right. This board was the most competent board that could have been appointed in this Government to determine the value of those ships, because I believe they took every pertinent fact into consideration.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. McKEOWN. Certainly.

Mr. GREEN of Iowa. Is the gentleman aware that we sold a few of the poorest of these ships for \$18,000,000, more than half the amount which the gentleman says all of them are worth?

Mr. McKEOWN. Well, I will just say this to the gentleman, that as far as I am concerned if the gentleman believes this \$33,000,000 is too little for them I am willing to give them some of the boats we now have, boat for boat, boats which we now have in this country and which we can not sell for anything. [Applause.] Oh, they say, fix this value at \$100,000,000. That is just like my going out to buy a farm from one of my colleagues. He says he is willing to take \$5,000 for it, but he hears me tell my agent I am willing to give him \$10,000 and, of course, he is going to get the \$10,000. That is the same principle contained in this bill. The gentleman from New York [Mr. MILLS] has had the ingenuity to bring in a bill that is practically the same as the bill about which we heard so much talk. I want to tell you it does the same thing, and for this reason: There will be \$100,000,000 allotted for the value of these ships, and they will mulct the taxpayers of this country out of \$70,000,000 in this settlement.

Mr. WAINWRIGHT. Will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. WAINWRIGHT. As I understand the gentleman's point it is that the taxpayers of the United States should not be mulcted of \$1 more than the value placed upon these ships by the Naval Board.

Mr. McKEOWN. That is right exactly.

Mr. WAINWRIGHT. I think the gentleman is right about that.

Mr. RAGON. Will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. RAGON. The gentleman has spoken of a valuation of \$33,000,000, and I have understood from the gentleman's remarks that it was an official valuation?

Mr. McKEOWN. Yes; an official valuation made by a board.

Mr. RAGON. By what board?

Mr. McKEOWN. A board appointed by President Wilson to determine the value of those ships at that time.

Mr. RAGON. At what time?

Mr. McKEOWN. At the time they were seized. He no doubt had in mind this traditional principle that we were to pay for them, and he appointed a board to fix the value as of that time. For what other purpose would he have appointed a board to fix the value except to have something to go on when the war was over?

Mr. RAGON. Who composed that board?

Mr. McKEOWN. Naval officers; and could there have been a more competent board?

Mr. COX. Will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. COX. Recognizing that this country is under obligation to pay, do you not concede that we ought to pay the real value of the ships?

Mr. McKEOWN. I do not concede that we should pay more than what the boats are worth, and I am not willing for the taxpayers of this country, on the mere pretense of being just to the German owners of these ships, to be mulcted out of money with which to settle the claims. [Applause.]

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. DICKINSON of Missouri. Mr. Chairman, I yield five minutes to the gentleman from Alabama [Mr. HUDDLESTON].

Mr. HUDDLESTON. Mr. Chairman, I shall vote against this bill for numerous reasons which are satisfactory to myself. I have no desire to take the time of the House to state those reasons and will not attempt to do so.

I rise merely to express a point of view, a reaction, to this bill which no one seems to have except myself. It is for that reason alone that I rise.

I have always favored the return of the German property. I favor returning it 100 per cent, entirely disconnected with the payment of American claims or any other matters of any kind. I favor that because the faith of our country was pledged explicitly by the Prussian treaty. I favor it for the further reason that I regard it as sound international policy; but my fundamental reason for advocating that course is that I want to restrict the horrors of war and the field of its activities as much as possible.

I would like to have private property regarded as inviolable under all conditions and all circumstances. I would like to confine war to the armed forces of the opposing governments. I would like to take the civilian and his property out of the war and out of its hazards.

I am rather surprised to hear this note sounded by others as being applicable to property alone. It seems to give them a distinct shock that property is not sacrosanct and that in its very nature there is not something horrible about taking it. That is not my reaction, I may say to those gentlemen. I am not so shocked with the idea of taking property for public purposes if it should be necessary. But the thought I want to present that seems to be unique in this assemblage is that, whereas the rights of property are important, the rights of persons are still more important; and while I would regard private property as sacred and inviolable, I would regard the liberties of peoples and the personal rights of civilians as immensely more important and to be regarded with greatly increased veneration.

I suppose you may consider me a pacifist. I will evade the charge by admitting it. So far as I know, I am the only unrepentant, unapologetic pacifist yet in captivity—a pacifist of my kind—a fighting pacifist. I hate war. I question its propriety in any event. I feel that no aggressive war was ever justified; that few wars are worth what they cost, and that national controversies may always be settled in some more sensible way. But I am plenty willing to fight in defense of my person or my country. I hold that if we can not do away with war altogether, we should at least mitigate its horrors as far as possible. We should restrict the field of its activities. We should limit it in every conceivable way. In line with that philosophy I would like to have private property made inviolate and I would like to have civil rights protected to the utmost extent. [Applause.]

I would have civilians both in their persons and their property held inviolable not only as against their countries' enemies but against their country itself. Too often it is that the first step in fighting a war is to deprive the citizen of his civil rights.

Mr. DICKINSON of Missouri. Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, I, too, shall vote against this bill. The shrewdest, smartest financial genius of the United

States [Mr. MILLS] has not yet demonstrated his power to control the State of New York and its electorate, but I am fearful that he does exert a powerful and terrible influence over the membership of our great Ways and Means Committee.

I do not believe in confiscating property. And I also do not believe in taxing the American people \$150,000,000 to execute the provisions of this bill and pay the waste and leakages already existing in this office.

This measure, in effect, is merely the rewriting of the Mills bill. It is the Mills bill camouflaged with changed provisions.

I can not agree with the sentiment expressed by one of the great leaders in my party on my side of the aisle [Mr. HUDDLESTON], who has just taken his seat. I am one of those who believe that if it be conceded, and it is so conceded, that in war time the Government of the United States has the right, by conscription and draft, to take every man it needs between the ages of 18 and 45 and put them in the trenches and make them daily face death from cannon mouths, that the Government also has the right to take property when it needs it in war time, and to draft needed men to work as well as to fight, our Government has the right to take the services of the men who are left at home when it needs them. I am one of those who do not believe that it is right for the specially favored able-bodied men who are left at home surrounded by their friends, families, conveniences, and pleasures to pull off 6,000 strikes during war time when we had 4,000,000 men in uniforms depending on them for supplies and munitions. Therefore I am one of those who are of the opinion that when our Government is in war it has the right to take everything it needs to overcome the enemy, let it be man power, property, or labor, it matters not. But I am afraid that I could not convince my friend from Alabama or my friend from Wisconsin of the wisdom of that policy.

Mr. HUDDLESTON. Will the gentleman yield?

Mr. BLANTON. I always yield to my good friend from Alabama because he is one of the leaders of this House.

Mr. HUDDLESTON. May I inform the gentleman that I was the first to ever express on the floor of this House the idea that when men are conscripted property should be conscripted also.

Mr. BLANTON. Is the gentleman in favor of taking labor as well as property?

Mr. HUDDLESTON. I am opposed to any kind of conscription, but if you conscript men I do think it is entirely proper to conscript horses or dollars or whatever else you may need.

Mr. BLANTON. I am glad to know that the gentleman feels that way, because his power is already felt throughout the United States, and he may bring about a reaction.

Mr. HUDDLESTON. Let me say, further, that I would be willing even to agree to conscription if the emergency were great enough—not for the actual defense of the country—I would not agree to it merely to suit the convenience of general staffs. The emergency must be so great as to require the conscription of every citizen, great as well as small, and the actual taking of property, not the mere borrowing of it.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. DICKINSON of Missouri. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. CONNERY].

Mr. CONNERY. Mr. Chairman and gentlemen of the committee, it is my intention to vote for this bill for the good provisions contained therein, but I feel that the rights of American investors in German securities—that is, those who made their investments before the World War—have been entirely neglected in this bill.

American citizens before the outbreak of the war invested millions of dollars in German securities, payable in mark currency at a time when the mark, on a gold basis, was equal, in American money, to 23.8 cents. Many of these loans were used by Germans to increase their property holdings in the United States as well as in Germany. Proceeds of some of these loans were used to acquire ships, radio stations, and patents. Many American owners of these bonds left them on deposit in Germany, in the banks, so that coupons could be presented to the main office of the debtor for prompt payment.

On August 9, 1917, the German Government enacted a war order entitled "Measures of economic retaliation against the United States," and this war order resulted in the sequestration of American securities.

On November 10, 1917, the German Government enacted another war order providing for the reporting of American-owned securities to the German alien property custodian.

These measures absolutely forbade an American citizen from disposing of his securities, and they were not repealed until January, 1920.

The gold value of marks in the meantime had depreciated to 2 cents. The German debtors obtained loans when marks were worth about 24 cents and had the benefit of loans upon that basis.

International bankers had deposits of marks in German banks and the effect of these war orders was the same as those applied to American-owned securities. However, these international bankers get 16 cents a mark, with interest at 5 per cent, commencing January, 1920, but bondholders are frozen out, because their debts are considered "owing," compared to bank deposits as being "debts due."

Secretary of State Hughes gives as his opinion that according to the provisions of his own treaty at Berlin, taken together with certain provisions of the trading with the enemy act, that an American creditor merely has to prove that a debt was "owing" in order to recover at the pre-war rate of exchange out of his German debtor's property in possession of our Alien Property Custodian. Congress has already provided a right, but not a complete remedy, in favor of American creditors by reason of subdivision E, section 9, of the trading with the enemy act. This section provides, in effect, that American creditors are entitled to the repayment of their loans out of the German debtor's property. However, the section is silent on the rate of exchange in which debts payable in marks should be paid.

The present Alien Property Custodian, realizing the inequity of German property being returned without preserving the rights of American creditors, recommends remedial legislation, defining the rate of exchange at the time the contract was made. Very few bond claims were filed with the Mixed Claims Commission, most of them being filed with the Alien Property Custodian against the German debtor's property.

Certain European countries have taken action to protect their nationals in the matter of similar obligations contracted before the war by German debtors, and they are requiring such debtors to pay back the loans on the basis of the pre-war rate of exchange. If the property of German debtors is restored and they escape the payment of their debts, they profit at the expense of American nationals.

American creditors are entitled to reciprocal treatment in the matter of recovering their property which was sequestered by the Government of Germany. If the German Government is allowed to sequester American-owned securities when marks are of value, and continue such sequestration until the mark has become worthless, and does not have to account for such action, then there is no reason why the American Government should hand over the value of German ships, radio stations, and patents as of the date we seized them. The equities of American creditors in their German debtor's property, existing at the time the German property was taken over, should be strictly enforced. American debtors of German creditors were compelled by our Alien Property Custodian to pay mark debts on the basis of 18 cents a mark by order of the Secretary of the Treasury.

While I think it is advisable to return the alien property seized in time of war, and while I believe that it is a big, fine spirit to show on the part of the American Government, still I insist that the equities of all American taxpayers should be protected, and rights of the American taxpayer, to my mind, have been flagrantly overlooked in this bill. It is my hope that in the near future remedial legislation will be passed which will properly care for and protect the rights of American investors in German securities. [Applause.]

Mr. DICKINSON of Missouri. Mr. Chairman, I yield two minutes to the gentleman from Georgia [Mr. UPSHAW].

THE FATHER OF TWENTY-EIGHT CHILDREN

Mr. UPSHAW. Mr. Chairman, I had expected to speak on the question under discussion, but my colleague from Massachusetts [Mr. CONNERY] has so forcefully covered the very points I expected to make about protecting American property, that I leave that subject and dedicate my two minutes to a very pleasant privilege. I feel a natural pride in being the representative of an honored constituent in the gallery, Mr. Leander C. Gentle, of Atlanta, Ga., who is the father of 28 children. [Applause.] Every one of you who wants to endorse the Roosevelt doctrine please stand up as Mr. Gentle is doing and give him a greeting. [Laughter and applause.] He has a sample with him in his handsome son, L. P. Gentle, from Baltimore. Plenty of such stalwart, prolific American stock would make foreign immigration unnecessary. I presented Mr. Gentle at the White House. President Coolidge actually smiled, patted my patriarchal friend on the back, and said: "Good luck to you and all your children." It goes without saying, gentlemen, that this worthy patriotic citizen of Georgia is "bone dry." So if any of you want to be the

father of 28 children you must be "bone dry." [Laughter and applause.]

Mr. GREEN of Iowa. Mr. Chairman, I yield five minutes to the gentleman from Michigan [Mr. SOSNOWSKI].

Mr. SOSNOWSKI. Mr. Chairman, enough has been said of the merits of this bill. I merely want to urge upon the Members that by far the most important part of this legislation is not so much the protection of American claims as it is the protection of American national character—its protection by guaranteeing the international rights of personal property.

This country, probably more than any other, can not afford to set the dangerous precedent of the violation of personal property. The holdings of these German nationals must be held inviolate as far as possible, and this Congress should take steps to see that that is done—should take steps to see that those who are said to have violated the rights of German nationals in the handling of this alien property should be properly punished.

The wealth of the United States and its wide holdings in foreign countries form a condition which would be seriously endangered if the country were on record as the violator of personal property.

There is no question but there have been serious charges as to how the property held by the Alien Property Custodian was managed. There have been serious charges against the misuse of that property, regarding its manipulation for personal gain, and there have been serious charges that the officers in whose care it was placed violated their oaths of office.

I think this Congress owes a debt to the international reputation of this country, if to no other, to investigate the truth or falsity of these charges and to cleanse itself of any stigma that it has permitted the misuse of the property rights of other people. The courts in some instances have passed upon some alien property cases, but the courts are not responsible for our foreign relations. Congress must be responsible to the American people and to the world in the final analysis. The workings of the Alien Property Custodian's office should be brought to public view.

Mr. GREEN of Iowa. Mr. Chairman, I yield five minutes to the gentleman from Ohio [Mr. BURTON].

Mr. BURTON. Mr. Chairman and gentlemen of the committee, I think the thanks of the House are due to the Ways and Means Committee for the untiring attention they have given to this very perplexing problem. There is reason for congratulation because this question has been settled between the United States and Germany. One of the most notable features is that the German Government agreed that instead of going to a neutral country for an arbiter, an arbiter might be selected who was a citizen of the United States; first, Mr. Justice Day, and then Mr. Parker. That really marks a new phase of international relations as regards arbitration.

In the very brief time I have I shall speak of certain propositions relating to this bill. I think the recommendation of the committee should be adopted in its entirety without any discrimination between large and small claims. Preference has been given to claims of \$100,000 or less, which is sufficient along that line. In regard to insurance claims, no business is more fundamental to the industrial and social life of this country than that of insurance. There is no reason why we should discriminate against this very important branch of business. It is a universal principle of the common law that the insurance company is subrogated to the rights of the assured. No other principle is safe. If my property is stolen by a thief, and I collect from an insurance company, that company acquires my rights against the thief. If my automobile is run into by a reckless driver and the insurance company pays, the insurance company has the rights which otherwise I would have possessed. If a foreign country ruthlessly destroys ships or property on the sea and the insurance company pays, then the insurance company should be subrogated to all the rights of the shipowner or the owner of the cargo. To adopt any other principle, to reject claims of insurance companies or discriminate against them, would afford encouragement in case of war to the country that wished to indulge in submarine warfare or any other form of attack on ship property. Attacks would be made without restraint if it were known that in case the losses were paid by an insurance company, the country guilty of wrongdoing would be relieved of liability. No doubt we should have manifestations of ruthlessness and barbarity on the sea.

Again, the proposed measure as a whole has had the careful consideration of the committee and every feature of it has been the subject of study. To disrupt it now would mean the setting aside of the agreements and concessions made by all parties in interest in favor of this structure as it now stands and would necessitate a new effort at agreement which

would satisfy all. This is practically impossible. The awards to the insurance companies are an integral part of this structure and this agreement. To single them out for exclusion is not only to strike a blow at the marine insurance business, which, as I have said, is not the course of safety, but it is to strike a blow at their rights after those rights have been adjudicated by an international tribunal and reduced to judgment, for which judgment, along with all the other judgments of the Mixed Claims Commission, specific security has been set aside without distinction and specific sums of reparation are to be paid by Germany.

Not only this, but if such a distinction is made in this bill we will have the absurd spectacle of recognizing the claims of German insurance companies, giving them all their rights without distinction, and striking down our own American companies merely because they happen to do the business of insurance.

I strongly approve of this bill. I know of no measure which has been presented here for a considerable time that has been the result of more faithful labor, and I repeat that it gives an indication of the restoration of friendly relations with the countries with which we were at war, for it was our expressed intention not to wage war against the German people but against a government which, as we believe and declared, misrepresented the ideals of the great mass of the people in a country with which we should in the future maintain the most friendly relations. [Applause.]

Mr. HAWLEY. Mr. Chairman, I yield three minutes to the gentleman from New Jersey [Mr. BACHARACH].

Mr. BACHARACH. Mr. Chairman and members of the committee, I want first to correct a statement that was made in reference to the radio stations that were taken over. We did take over two during the war, but we found that the one in New Jersey was privately owned by citizens of the French Republic. Of course, that was turned back.

There are two ways in which we could accomplish the purpose of this legislation. One is by paying 100 per cent of all claims at once. That would involve a bond issue, which the majority of the members of the Committee on Ways and Means were opposed to. The other method is to do what the present bill provides. In this bill we are satisfying every American claimant and every German claimant; we are satisfying the shipowners, we are satisfying the German Government, and we are satisfying the Treasury Department of the United States. All parties at interest are in accord, and I think the very fact that it has the united support of both the Republican and the Democratic members of the Ways and Means Committee it should become a law.

It is absolutely a nonpolitical proposition, and I am sorry that there has been any effort to inject partisan politics in the debate on the floor.

It is only natural in a proposition of this kind that it is not completely satisfactory to everyone. There are many in this membership who contend that we should return all of the German property now in the hands of the Alien Property Custodian. There are others who contend that we should return none of this property until all American claimants are paid in full. There is much merit in both contentions. And so our committee has been actuated with the desire to bring about some workable proposition in the nature of the compromise plan embodied in this bill. It is the best we can do, and I think I am safe in saying that it is about the only sort of a plan that can be passed by this Congress. So far as the debate has progressed, I have not heard anyone offer a substitute proposition that would have any support.

The adoption of the bill means that the American claimants will ultimately get all they are entitled to under the award of the Mixed Claims Commission, that the German claimants will ultimately get back all of their property, and in the end it will not have cost the taxpayers one cent.

Pass this legislation and let us bring to a close a most perplexing proposition which has been troubling the conscience of Congress and the Government ever since the close of the war.

Mr. GREEN of Iowa. Mr. Chairman, I do not think that I shall use the five minutes at my disposal. I think three will be sufficient to state all that I wish to say at this time. The remarks that I shall make will be more at length when we read the bill and when there is a larger attendance in the House.

Mention has been made of the insurance claims. I understand that there will be some motion to defer to the last the American claims for insurance that were allowed by the Mixed Claims Commission. I do not care to discuss at this time that phase of the matter except to call attention to the fact that so far as the priorities are concerned as between American claims, including insurance claims, it is all fixed by agreement. There are only 178 large claimants left after paying the \$100,000

on each, provided for in the bill, and they are all agreed as to their priority, so that unless some gentleman gives some serious reason for disturbing the present order I see no reason why it should be changed.

Another matter was mentioned with reference to the rate of exchange under which certain claims against Germans had been settled. I do not know whether any amendment will be offered upon that subject or not, but I will say this, that the House has been the subject of propaganda started by a lawyer here in Washington who is trying to work up claims and who has sent out letters to these people, who have, in turn, written letters to Members of Congress. In his letter this lawyer practically told the people who were to write letters to Members of Congress that they should not state the truth in them. That will appear if the matter is further discussed.

One other matter has been mentioned especially by the gentleman from Oklahoma [Mr. McKEOWN] which relates to the values placed upon the ships. I ask the gentleman in this connection to consider that if we virtually confiscate those ships—and that is what it seems to me the gentleman was in effect proposing—this whole performance will be an idle ceremony. The gentleman said that it was an act of grace to pay for these ships.

Perhaps it might have been done in the first instance, but by reason of the diplomatic correspondence that has been had between this Government and England we have now got to pay for these ships and pay something like a fair value. If we confiscate them, their value will be taken out of the reparation fund that is to go to the American claims. If we proceed with some kind of method by which it becomes evident that we are after all merely arbitrarily fixing the value of the ships at some point that is agreeable only to ourselves, the whole bill will have no effect, because we will have to have the real value of the ships taken out of the arbitration fund and the whole scheme will be ruined.

I think, Mr. Chairman, that is all I would like to say at this point, and I ask for a reading of the bill. [Applause.]

The CHAIRMAN. If there is no further debate, the Clerk will read.

The Clerk read as follows:

DECLARATION OF POLICY

SEC. 2. In pursuance of established American doctrine, it is hereby declared that the claims of nationals of the United States against Germany, as determined by the Mixed Claims Commission, United States and Germany, shall be settled by the ultimate payment in full by Germany; that all property of German nationals held by the Alien Property Custodian as security for the payment of such claims of nationals of the United States against Germany shall ultimately be returned, together with the accrued interest and other earnings thereon; that the claims of German nationals against the United States for reasonable compensation for certain of their ships, radio stations, and patents taken or used by the United States shall be adjudicated and the amounts determined to be due shall ultimately be paid in full.

Mr. HASTINGS. Mr. Chairman, I move to strike out section 2.

Mr. Chairman, I want to say, in the first place, my criticism is against the method of the consideration of this bill. The chairman of the Ways and Means Committee has repeatedly in his very able speech referred to this as being a very complicated situation. The ranking minority Member, Mr. COLLIER, of Mississippi, has emphasized that fact. Practically every member of the Ways and Means Committee who has taken the floor has invited the attention of the members of the committee to the many complications which are attempted to be solved by this bill. Now, let us see the situation that arises. This report was filed at midnight, December 14. It was taken up for consideration on the 16th. The Members of Congress could not get this report until noon on the day before it was taken up for consideration.

The report in fine print covers 16 pages. The bill covers 38 pages. It involves more than half a billion dollars, yet this bill is brought up here and thrust upon the consideration of members of the committee without any opportunity to study it. Now, I have made a motion in good faith to strike out section 2. That would not interfere with the rest of the bill. I am not willing to say what is the American policy within the limited time I have had to investigate this question. It is admitted we are permitted under the treaty of Versailles to take over this property. It is admitted we are permitted to take it over under the treaty of Berlin. It has been brought out in the discussion here that many of these claims have been presented to the courts. One, among others, has gone to the Supreme Court of the United States, and a decision has been rendered. I do not know how many more final decisions have been rendered in various cases. We are called upon here with the

limited time we have to study this question to say what is the fixed, determined policy of the United States. For myself I have not had sufficient time to study that question, and I am not now prepared to say under all the circumstances that this is the correct policy of the United States, although it may be that I shall so conclude after a more mature consideration when I have had time to study the question. Mr. Chairman, this section commits us to the payment in full of these claims, whereas under other sections of the bill we attempt to limit the amount to \$100,000,000. Of course, if this bill is passed with section 2 in it, it commits Congress and the Government to the payment in full; and therefore if these claims shall be found to be more than \$100,000,000, section 2 will be considered as an authorization, and we are going to find appeals made to Congress for additional appropriations for the payment of claims in excess of \$100,000,000.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GREEN of Iowa. I ask unanimous consent that the gentleman's time be extended one minute in order to ask him a question.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. HASTINGS. I suppose the gentleman wants to ask and answer the question in that time, but I am glad to have the time extended.

Mr. GREEN of Iowa. No; I want to ask the gentleman the question, if he has observed the very last words of that paragraph he has moved to strike out says the amount determined to be due; that amounts determined to be due shall be paid in full?

Mr. HASTINGS. Did not the gentleman put the other limitation in this bill, namely, \$100,000,000; and if the amount determined to be due is \$105,000,000 or \$110,000,000 or \$200,000,000, we are obligated to pay it? Are we not obligated to pay the full amount?

Mr. Chairman. I think we have the right to extend our remarks in the Record?

The CHAIRMAN. Yes.

Mr. RAYBURN. Mr. Chairman, I rise in opposition to the amendment of the gentleman from Oklahoma. With the first part of the remarks of the gentleman from Oklahoma I am in entire accord.

I do not think in my service in the House, extending over several years, that there has ever before been a bill reported to the House involving the great amounts of money and involving large questions of policy where the report upon it has been filed and in less than 48 hours the bill is grabbed up in an effort to force it through Congress. As stated by the gentleman from Oklahoma [Mr. HASTINGS], a member of the Committee on Ways and Means, who has given to this subject hard study, says this was a very complicated question, a very complicated bill; and the gentleman from New York [Mr. MILLS], in his most able presentation of this question yesterday, said that he very much doubted if the membership of the House, even after as much study as they were able to give it, yet understood this bill. I have been laboring with this question off and on since 1917. I was a member of the committee at that time and reported the alien enemy act. Since that time we have been considering this measure, both during the war and since. There never has been a time when any committee in this House that has brought in a measure of the tremendous importance of this measure has not given more time to it than this committee has given to this. And why the hurry? Why file a report at midnight on the 14th and have it available in the afternoon of the 15th and take up this bill on the 16th, and start in to its consideration when no sane man who has not sat through the hearings, who has not sat through the consideration of the bill, can prepare himself to make an intelligent argument upon the proposition?

We bring in bills here on general appropriation that everybody knows is going to pass, that involve no fundamental questions of national or international law or obligation, and we spend two or three weeks on such a bill, striking out the last word and getting names and speeches in the Record. And yet when we come to a great question like this, where men with a belief on a general proposition would like to have time to present a reasonable argument upon it, we are shut off with five hours' debate. Discussion in this House, real debate and real discussion, is about at an end. The action of this committee—and I admire them for their ability and all—is stifling what little discussion we have in the House at times.

Instead of being in favor of striking out the second section of this bill, as indicated in the remarks of the gentleman from Oklahoma [Mr. HASTINGS], the declaration of policy announced in section 2 is one of the main reasons why I intend to support this bill. In 1923, when the Winslow Act was up, I had an

amendment pending for the return of all this property. That amendment was voted down. The gentleman from Kansas [Mr. HOCH] at that time presented an amendment to the bill, declaring that even though we were returning the property only up to \$10,000 it was the declared policy of the United States that this property should never be confiscated but should ultimately be returned to its owner. That amendment was also voted down at that time. Hence I am proud of the fact that this committee under some leadership from somewhere is willing to reaffirm a great fundamental proposition of international morals, a tradition that the United States Government through every Secretary of State from Thomas Jefferson down to now has declared as the only policy that any self-respecting nation on the face of the earth could afford to pursue.

The CHAIRMAN (Mr. MAPES). The time of the gentleman from Texas has expired.

Mr. RAYBURN. I ask for five additional minutes. I hope I shall not use all of them.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. RAYBURN. Not only has every Secretary of State of America who has ever spoken on this question announced the doctrine that the taking of private property for the satisfaction of a public obligation was immoral until the recent decision of the Supreme Court in the case of the Chemical Foundation—each Secretary of State declaring that it was an immoral policy—but John Marshall, in one of his great decisions, said that a government, of course, had the war power to take and confiscate the property of an alien found within its boundaries, but that every civilized nation on the face of the earth looked upon that doctrine with misapprobation. Therefore I am very sorry that the Supreme Court, in its recent decision in the Chemical Foundation case, found it necessary to go further than there was any necessity in that decision to declare the doctrine that some have declared to be in the teeth of and in contravention to the doctrine enunciated by John Marshall. I do not, however, interpret the decision of the Supreme Court in that decision as impugning that doctrine. I simply say that it amounts to a declaration that the Government has the power to confiscate this property; but whatever may be the policy of the Government, I am confident that it will follow the early, the fundamental, the patriotic, and the sound decisions of such jurists as John Marshall in the early days of this Republic when this was a fresh country, when our Constitution and institutions were being interpreted by that great lawgiver, and every Secretary of State from now on will follow the great traditions that have always been ours.

Now, there are things in this bill that I would like to see eliminated. I presume that there are provisions in this bill that practically every individual Member of the House of Representatives would like to see eliminated. But, by and large, first and last, I think that this is a sane, a just, and an equitable settlement of a tremendous problem which gets us out of a very ugly situation and cleans up the remaining dregs of war time; and therefore I have asked for this time to make these remarks and to say that this bill shall have my support. [Applause.]

Mr. MILLS rose.

The CHAIRMAN. The gentleman from New York is recognized.

Mr. MILLS. I do not think any man in this House is better qualified to testify as to the merits of the bill than the gentleman who has just taken his seat [Mr. RAYBURN]. He is a member of the Committee on Interstate and Foreign Commerce. He is very familiar with the difficulties surrounding these claims and is equally familiar with the even more complicated provisions of the trading with the enemy act.

Mr. Chairman, I quite agree with the gentleman from Texas [Mr. RAYBURN] that section 2 should certainly not be eliminated from this bill, and I want to reassure the gentleman from Oklahoma [Mr. McKEOWN] as to his fears in respect of the last two lines of section 2. He is afraid that those two lines commit us to a payment in excess of \$100,000,000 on the ground that we say that:

The amounts determined to be due shall ultimately be paid in full.

I call his attention to the fact that the words "determined to be due" constitute a limitation, and if he turns to page 9, paragraph (e), he will find "that the total amount to be awarded under this section shall not exceed \$100,000,000." If he will then turn to page 15, paragraph (q), he will find that that paragraph provides that this section shall constitute:

The exclusive method for the presentation and payment of claims arising out of any of the acts by or on behalf of the United States

for which this section provides a remedy. Any person who files any claim or makes application for any payment under this section shall be held to have consented to all the provisions of this act.

The act provides that no more than \$100,000,000 shall be awarded, and any claimant who files under this act agrees to all its provisions. So that he agrees in advance that no more than \$100,000,000 shall be awarded. That is all they can be awarded; that is all we ever intended to award; and I think it is fair to say to the House that the \$100,000,000 limitation was agreed to by these very claimants as a fair limitation. In the light of that explanation I think the gentleman from Oklahoma will readily agree that his fears as to the last two lines of section 2 are unfounded.

As to the balance of the section, all I would like to say is to ask the gentleman of the committee to read each one of the policies which we declare to be the policy of the United States and then ask themselves whether they are unwilling to make such a declaration. Section 2, as I read it, is a straightforward, clean-cut declaration of American principles, and I know of no reason why any one of us can not wholeheartedly endorse the principles expressed in that section. [Applause.]

Mr. GREEN of Iowa. Mr. Chairman, my friend from Texas has made an exceedingly humorous and entertaining and misinforming speech. [Laughter.] As considerable of it is directed to myself, I want to say a few words in reply. I am responsible for the introduction of this bill at this time, and I have no apology to make for it. The subject matter before the House has been more or less under discussion for five years. Members ought to be fairly familiar with it.

The general plan of this bill is so simple that no one can fail to understand it, and I do not believe that anyone has failed to comprehend its essential features. The details, perhaps, as to its provisions are complicated, but otherwise it is not. I will admit that the bill was brought in here only a few days after it was introduced and only one day after the report was filed, but this is the time when we ought to act. Unless we pass it before the Christmas holidays probably there will be nothing done at this session, and once more the claimants will be deprived of their rights. There is no limit on the discussion and every provision of the bill will be explained.

Mr. CONNALLY of Texas. Will the gentleman yield?

Mr. GREEN of Iowa. I will.

Mr. CONNALLY of Texas. The gentleman desires to pass the bill to make some one a Christmas present?

Mr. GREEN of Iowa. I hope the gentleman is imbued with the Christmas spirit. [Laughter.]

Mr. SCHAFER. Will the gentleman yield?

Mr. GREEN of Iowa. No; I can not yield further. There is one other matter to which I want to refer. The gentleman from Texas said that this was the old Mills bill. I want to say that the general plan of this bill is my own, as every member of the Ways and Means Committee will tell you. It was proposed when Mr. MILLS was not in town and had not been at the sessions of the committee up to that time. I would not discredit the intelligence of the gentleman from Texas by thinking that he was serious when he said he could not tell the difference between this and the old Mills bill.

Mr. CONNALLY of Texas. Oh, I said there were a number of changes, but not in substance. So far as the paternity of the bill is concerned, I do not think either gentleman who wrote it has a right to be proud of it. [Laughter.]

Mr. GREEN of Iowa. Perhaps not; I will leave that for other people to determine. This bill only appropriates an amount not in excess of \$100,000,000. The Mills appropriated \$240,000,000. That is the fundamental difference between the two bills. The great objection to the Mills bill was the amount of Government money appropriated to pay private claims. This bill makes appropriation only to pay claims against the Government itself. [Applause.]

The pro forma amendment was withdrawn.

Mr. RAINEY. Mr. Chairman, I expect to vote for this motion to strike out this paragraph, and I expect to vote for the bill. I expect to vote for this motion to strike out the paragraph, because this paragraph adds absolutely nothing to the bill. This paragraph contains recitals that are not in accordance with the facts. This paragraph represents the Government to have a policy which it does not now have, and this paragraph claims that we do have this policy and always have had it. The textbooks, writers on international law, and occasionally the Supreme Court in its obiter dicta expressions refer to the inhumanity of retaining confiscated enemy property. In spite of that fact we have always done it; in spite of that fact every nation in the world has always done it. We never have returned the property of alien enemies residing in an enemy country, but that is what we are doing in this bill.

Striking out this paragraph does not change the bill, it does not add anything to it, and if we are going to do this, let us do it without all this gush and nonsense about "American policy."

When did we ever return any cotton that we seized from the Southern States, that are now so loyal in every particular to this Union and that are represented so ably here on this floor? When did we ever return any property that we seized during the Civil War? Never until the claimants had established in the Court of Claims that, although they lived in the States which seceded, they were loyal. We propose now in this bill, in direct contradiction to the policy that we have established during the last 50 years of our history as a Nation, to return intact the property of enemy aliens residing in Germany during the war. If we are going to do it, let us do it with our eyes open. I do not want any Member of this House to vote simply for the purpose of sustaining the Committee on Ways and Means. This paragraph ought to be out of the bill.

When we read the next section I expect to offer some amendments to the bill, which will make the charge on the Treasury much less than it is under this bill. We are making a charge on the Treasury, and the taxpayers are contributing to this fund. They make up this entire amount, which possibly may reach \$180,000,000; we depend on whether or not the present German Government remains intact until the middle of the next generation. Within the last two years we have seen the example set by Russia of repudiating her debts, and she owes us \$676,000,000, which she says she never is going to pay. That is repudiation on account of a change of government. I want every one to vote with his eyes open. In Germany in their legislative body the day before yesterday it was openly charged on the part of members of that body that arms were being manufactured now and are being secreted throughout Germany. Of course, the object of that, first, is to overthrow the present German Government. If that succeeds, and they have the most intense kind of politics over there, there is a prospect of a return sometime of a German emperor, and then there always is a prospect of other overthrows of that Government.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. RAINEY. Mr. Chairman, I ask unanimous consent to proceed for three minutes.

The CHAIRMAN. Is there objection?

Mr. GREEN of Iowa. Mr. Chairman, reserving the right to object, I shall not object at this time, but I shall be compelled to object at the close of the gentleman's remarks to anything further. We have had six hours of general debate; and I suggest to the gentleman that he is arguing in large part at least the same thing that he argued in general debate.

The CHAIRMAN. Without objection, the request of the gentleman from Illinois will be granted.

There was no objection.

Mr. RAINEY. Mr. Chairman, our prospects of recovering the amount we pledge ourselves now to pay—and we agree to pay all these claims, including the claims for the sinking of the *Lusitania*—depends upon the stability of the German Government through this generation and through part of the next generation. It depends upon whether or not we are going to get \$10,700,000 a year until 1952 from the Reparations Commission. If the German Government changes, the chances that the payments the present German Government is making to the Reparations Commission will be continued by the new Government are exceedingly slim. That is all I want to say in this connection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma.

Mr. SCHAFER rose.

Mr. GREEN of Iowa. Mr. Chairman, I move that all debate upon this paragraph be now closed.

The CHAIRMAN. The question is on the motion of the gentleman from Iowa that all debate upon the paragraph do now close.

Mr. SCHAFER. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Wisconsin makes the point of order that there is no quorum present. The Chair will count. [After counting.] Evidently there is a quorum present. The question is on the motion of the gentleman from Iowa that debate upon this paragraph do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment of the gentleman from Oklahoma to strike out section 2.

The question was taken; and on a division (demanded by Mr. SCHAFER and Mr. HASTINGS) there were—ayes 35, noes 75.

So the amendment was rejected.

The Clerk read as follows:

CLAIMS OF NATIONALS OF THE UNITED STATES AGAINST GERMANY

SEC. 3. (a) The Secretary of State shall, from time to time, certify to the Secretary of the Treasury the awards of the Mixed Claims Commission, United States and Germany, established in pursuance of the agreement of August 10, 1922, between the United States and Germany (referred to in this act as the "Mixed Claims Commission").

(b) The Secretary of the Treasury is authorized and directed to pay an amount equal to the principal of each award so certified, plus the interest thereon, at the rate fixed in award, accruing before January 1, 1927.

(c) The Secretary of the Treasury is authorized and directed to pay annually (as nearly as may be) simple interest, at the rate of 5 per cent per annum, upon the amounts payable under subdivision (b) and remaining unpaid, beginning January 1, 1927, until paid.

(d) The payments authorized by subdivision (b) or (c) shall be made in accordance with such regulations as the Secretary of the Treasury may prescribe, but only out of the special deposit account created by section 5, within the limitations hereinafter prescribed, and in the order of priority provided in subdivision (c) of section 5.

(e) There shall be deducted from the amount of each payment, as reimbursement for the expenses incurred by the United States in respect thereof, an amount equal to one-half of 1 per cent thereof. In computing the amounts payable under subdivision (c) of section 5 the fact that such deduction is required to be made from the payment when computed or that such deduction has been made from prior payments, shall be disregarded.

(f) The amounts awarded to the United States in respect of claims of the United States shall not be payable under this section.

(g) No payment shall be made under this section unless application therefor is made, within two years after the date of the enactment of this act, in accordance with such regulations as the Secretary of the Treasury may prescribe. Payment shall be made only to the person on behalf of whom the award was made, except that—

(1) If such person is deceased or is under a legal disability, payment shall be made to his legal representative, except that if the payment is not over \$500 it may be made to the persons found by the Secretary of the Treasury to be entitled thereto, without the necessity of compliance with the requirements of law in respect of the administration of estates;

(2) In the case of a partnership, association, or corporation, the existence of which has been terminated, payment shall be made, except as provided in paragraphs (3) and (4), to the person found by the Secretary of the Treasury to be entitled thereto;

(3) If a receiver or trustee for any such person has been duly appointed by a court in the United States and has not been discharged prior to the date of payment, payment shall be made to the receiver or trustee or in accordance with the order of the court; and

(4) In the case of an assignment of an award, or an assignment (prior to the making of the award) of the claim in respect of which the award was made, by a receiver or trustee for any such person, duly appointed by a court in the United States, such payment shall be made to the assignee.

(h) Nothing in this section shall be construed as the assumption of a liability by the United States for the payment of the awards of the Mixed Claims Commission, nor shall any payment under this section be construed as the satisfaction, in whole or in part, of any such awards, or as extinguishing or diminishing the liability of Germany for the satisfaction in full of such awards, but shall be considered only as an advance by the United States until all the payments from Germany in satisfaction of the awards have been received. Upon any payment under this section of an amount in respect of an award, the rights in respect of the award and of the claim in respect of which the award was made shall be held to have been assigned pro tanto to the United States, to be enforced by and on behalf of the United States against Germany, in the same manner and to the same extent as such rights would be enforced on behalf of the American national.

(i) Any person who makes application for payment under this section shall be held to have consented to all the provisions of this act.

Mr. RAINEY. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. RAINEY: At the end of line 20 on page 2 strike out the period, insert a comma, and the following: "except that no award shall be certified if the rights of the person or corporation on behalf of whom such award was made were acquired by subrogation of the rights of a beneficiary under a policy or a contract of insurance."

Mr. RAINEY. Mr. Chairman, when we entered the war there were 25 companies engaged in the business of writing

marine insurance. During the war and along toward its close there were 100 companies at least writing marine insurance, the business had grown so profitable. At the expiration of the war the number began rapidly to decrease until at the present time there are not over 40 companies engaged in writing marine insurance. The evidence shows that before the war the business of writing marine insurance was exceedingly profitable. The evidence shows that the business yielded a return of 20 per cent. During the war it was much more profitable. These companies lost on account of the war absolutely nothing. The Government engaged in marine insurance and collected premiums amounting to over \$40,000,000, and the losses were only a little over \$17,000,000. The profits made by these companies were something enormous during the war. The claims of these companies for ship and cargo losses have been allowed by the Mixed Claims Commission against Germany under the technical doctrine we have here of subrogation. Germany, of course, consented to it. Germany consented to that and many other things. Germany agreed we should retain all of this property which we are now returning in the treaty of Berlin and also in the treaty of Versailles, and Germany agreed to this. The Mixed Claims Commission allowed these amounts as a claim against Germany, and now we are paying them out of the Treasury of the United States upon the theory that eventually we will get it back. We have rejected claims against Germany which have merit. We have rejected the claims of American nationals who paid war-risk insurance and who were the only losers on account of the sinking of these ships and the destruction of these cargoes. We have refused to allow any of those claims, and they are real losses. We are allowing these claims and these are not losses.

Mr. NEWTON of Minnesota. Does the gentleman mean that Congress has taken that action, or that the Mixed Claims Commission did not allow those claims?

Mr. RAINEY. The Mixed Claims Commission did not allow these claims paid for war-risk insurance.

Mr. NEWTON of Minnesota. Of course, we are bound by the action of the Mixed Claims Commission.

Mr. RAINEY. Not at all. We can go outside if we want to do so. We have not given the Mixed Claims Commission the right to legislate money out of the Treasury of the United States.

Mr. NEWTON of Minnesota. But being the treaty-making power, we certainly are bound by the action of the Mixed Claims Commission.

Mr. RAINEY. Whether we are or not, I am not arguing that question. That is not part of the motion I now present. Let me read you some of these claims. Here is the Boston Insurance Co. that claims \$3,170,000. Here is the Atlantic Mutual Insurance Co. claim of \$2,500,000. Here is the Providence & Washington Insurance Co. with a claim of over \$2,000,000. Here is the United States Merchants & Shippers Insurance Co. with a claim of nearly \$2,400,000.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RAINEY. May I have five minutes additional?

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that his time be extended for five minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. RAINEY. Here is the Federal Insurance Co. with a claim of nearly \$7,000,000, and so on. These claims cover nearly three pages of this list of awards certified down to the Ways and Means Committee April 1, last. How many claims have been allowed since then I do not know, but it is safe to say you could pick out from these allowed here at least \$50,000,000 of claims. That does not include interest. You have to add interest, according to the statement made before us, and the interest is still accruing at the rate of 5 per cent.

It is safe to say these insurance companies made more during the war than they ever made before or will ever make again. Their claims will amount to between fifty and sixty million dollars, and we will pay them out of the Treasury of the United States. Some of these companies are companies which are connected with insurance-company scandals of not many years ago in the matter of the large contributions they have made to campaign funds; none, however, to the party to which I belong.

Now, may I attempt to show you how much some of these companies have made? The ordinary war risk was considerably under 2 per cent; the ordinary marine risk is usually under 1 per cent. During the war the rate ran sometimes as high as 18 per cent, and sometimes higher than 30 per cent. This is what some of these companies got out of this business. Here is what 46 of these companies did from August

4 to December 31, 1914. This is found on page 157 of volume 1 of these hearings. Their premiums amounted to \$5,300,000, and they only paid net losses of a little over \$2,000,000. In 1915 the premiums collected were nearly fourteen and a half million dollars; losses paid a little over \$7,000,000. In 1916 these 46 companies collected premiums amounting to \$25,163,000, and only paid losses of \$11,646,000. In 1917, while the war was on—

The CHAIRMAN. The time of the gentleman has again expired.

Mr. RAINEY. I ask unanimous consent for three additional minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. RAINEY. They collected \$49,000,000 and only paid out \$21,000,000. In 1918 they collected \$53,000,000 and only paid out \$31,000,000. In 1919 they collected \$42,000,000 and only paid out \$30,000,000. Of course, during that latter year some war losses were paid. Now, my amendment is this: It will reduce by one-fourth the amount we call upon the taxpayers now to contribute in this bill.

It will enable those gentlemen who want to do it to return all German property, including the 20 per cent we are now retaining, without making any additional charge on the Treasury, and it will remove from the bill the stigma that we have voted to reimburse in the first instance out of the Treasury of the United States companies that made an unconscionable profit during the progress of the World War, and which sustained absolutely no losses, in order that we might sustain a technical principle of subrogation.

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. RAINEY. I will.

Mr. NEWTON of Minnesota. Do I understand the gentleman to be opposed to the payment of these claims, or merely opposed to their payment at this time?

Mr. RAINEY. I am opposed to their payment at all if we have got to pay them.

I do not see any reason why we should hold up Germany, even though she has agreed to it, to pay \$60,000,000 of alleged losses that nobody in this country ever sustained.

Mr. NEWTON of Minnesota. But the losses of those ships were caused by the acts of the German Government.

Mr. RAINEY. Absolutely all our losses in the war were caused by the acts of the German Government.

Mr. NEWTON of Minnesota. Does not the gentleman think that the German Government then ought to be compelled to pay?

Mr. RAINEY. I do not think so. They were all technical losses. These companies made from 30 to 40 per cent profit during this war.

Mr. NEWTON of Minnesota. Somebody ought to pay for them.

Mr. RAINEY. No; in my judgment nobody ought to pay them.

Mr. BLACK of Texas. Mr. Chairman, will the gentleman yield?

Mr. RAINEY. Yes.

Mr. BLACK of Texas. If this money is to be returned to anybody, ought it not to be returned to those insurers who paid the excessive premiums?

Mr. RAINEY. Absolutely. We ought to reverse the findings of the Mixed Claims Commission in that respect, because those are losses.

Mr. GREEN of Iowa. Mr. Chairman, I was one of those who resisted to the last the payment of these insurance claims. I would not under any circumstances be in favor of paying the insurance companies if I knew of any other way in which the matter could be finally settled.

The gentleman from Illinois [Mr. RAINEY] states that Germany ought not to pay them at all. I hardly think there is another Member of the House who concurs in that proposition. Germany unlawfully and wrongfully destroyed this property. Germany ought to pay for it. [Applause.]

Now the question is, Whom shall she pay, and how shall it be paid? To that I am reluctantly compelled to admit that there was but one answer. By treaty and agreement we set up the Mixed Claims Commission to determine these matters. Pursuant to this treaty and these agreements the Mixed Claims Commission passed upon these insurance claims, passed upon the claims of the underwriters, passed upon the United States insurance claims, and there we are, with the award determined by the Mixed Claims Commission pursuant to a treaty which we solemnly entered into.

Mr. BLACK of Texas. This, however, would be the result of that policy, that notwithstanding these insurance companies collected large premiums to cover the extra losses, you will be reimbursing them for losses that they did not sustain. Is not that correct?

Mr. GREEN of Iowa. No. That is not correct. We are not paying them. Germany makes the payments, and ought to pay some one.

Mr. NEWTON of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. NEWTON of Minnesota. I understand that the Mixed Claims Commission, in passing judgment upon these claims, and the committee in following the action of the Mixed Claims Commission, have followed the well-established precedent set in the case of the Alabama claims?

Mr. GREEN of Iowa. I do not know as to that; but they followed the well-known rule of law, and they have settled this matter in accordance with that rule.

The gentleman from Illinois [Mr. RAINEY] talked about the excess premiums received by these insurance companies. Let me read to you a little from the testimony that was actually given in by an unquestioned authority, as to the amount of these premiums. I read:

Now, these 45 companies actually collected premiums, after deducting for reinsurance, from August 1, 1914, to July 2, 1921, amounting to \$248,439,207. They disbursed for loss, less reinsurance and salvage, \$169,124,263, or 68.07 per cent of the premiums.

They estimate that they still owe for claims incurred during this period \$2,600,652, making the losses incurred \$171,724,915, which is 69.12 per cent of the premiums.

They disbursed for expenses in connection with this business only \$76,744,021, which is 30.89 per cent of the premiums.

Mr. HAWLEY. What did you include in that list of expenses?

Mr. BEST. Commissions, salaries, taxes, printed matter, all expenses which are chargeable directly to this business, which, I might explain, represents their ocean business exclusively; and they have also excluded the losses paid during the period beginning August 1, 1914, which were incurred prior to that time.

So that these premiums, losses, and expenses represent the result of the war-risk and marine insurance operations of these 45 companies during that war period.

It will be observed that the losses and expenses equaled 100.01 per cent of the premiums.

Mr. LINTHICUM. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. LINTHICUM. How do the rates charged by those insurance companies compare with the rates charged by the war risk insurance?

Mr. GREEN of Iowa. I could not tell that. There were many different rates, so far as that is concerned.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. GREEN of Iowa. May I proceed for five minutes more?

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GREEN of Iowa. It is all in the hearings.

Mr. LINTHICUM. This comparison is in the hearings?

Mr. GREEN of Iowa. Yes; but it will be a little difficult to pick it out.

Mr. JACOBSTEIN. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. JACOBSTEIN. Is it the gentleman's understanding that the Mixed Claims Commission actually investigated and passed upon these claims on the basis of the actual losses suffered by these companies over and above the premiums collected, or did they just take the technical return which they submitted?

Mr. GREEN of Iowa. There was an elaborate contest over these claims. The Government was fully represented and contested them. In the end the commission decided them according to what was understood to be the correct rule under the law and the evidence.

Mr. LA GUARDIA. The insurance companies paid out losses?

Mr. GREEN of Iowa. Yes; and expenses.

Mr. LA GUARDIA. Does not the gentleman realize that they made an enormous profit of 48 per cent?

Mr. GREEN of Iowa. No. The ocean business did not return them 48 per cent. The gentleman is taking all the business. The gentleman does not intend to be unfair, nor did the gentleman from Illinois so intend, but they conveyed a wrong impression in both cases to the House.

Now, there is another matter that I want to speak of before I conclude. Under the agreement with reference to reparations, the reparations received from Germany must be applied upon the awards of the commission. There is no getting away from that. And this brings me inevitably to this conclusion: The 2½ per cent that is received on the reparations must in the end go on these insurance claims to the extent of the awards made them. There is no escape from it; and if we do not pay it in one way we shall have to settle it in another way.

Mr. BROWNING. Will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. BROWNING. Why not let these claimants, then, depend on that for their reimbursement and not on the taxpayers of the country?

Mr. GREEN of Iowa. The gentleman is wrongly informed. The taxpayers of this country do not pay one cent of this, nor does the Government of the United States pay one cent of this. If there is anybody who is entitled to complain about it, it is Germany, because we are taking German money to pay these awards, and the German claimants have agreed to it.

Mr. BROWNING. Do not these claimants get a part of their reimbursement out of this \$100,000,000?

Mr. GREEN of Iowa. Yes; temporarily; but that belongs to the Germans, and in the end must be repaid to them.

Mr. BROWNING. Do you not have to get it out of the Treasury?

Mr. GREEN of Iowa. Yes; to pay for the ships, radio stations, and patents, which is a Government debt; but it is all to be repaid out of this reparation fund, and there is provision made for it.

Mr. CONNALLY of Texas. Will the gentleman yield?

Mr. GREEN of Iowa. I will yield, but I doubt whether the gentleman has any informing question.

Mr. CONNALLY of Texas. That may be true, and the gentleman's answer will probably be in the same category. [Laughter.]

Mr. GREEN of Iowa. I did not understand the gentleman's remark.

Mr. CONNALLY of Texas. It is hardly worth the gentleman's notice. Does the gentleman mean to say that the money that the Treasury pays out for the ships, for the radio stations, and patents is to be gotten back from Germany?

Mr. GREEN of Iowa. Certainly; so far as it is used to pay American claimants, but it finally goes to the German claimants.

Mr. CONNALLY of Texas. Where?

Mr. GREEN of Iowa. Out of the reparations fund.

Mr. CONNALLY of Texas. Does the gentleman mean to say that we could get Germany to pay us for taking the property of Germans?

Mr. GREEN of Iowa. No; we create a fund out of which we pay these American awards. This fund is created by temporarily using German funds.

Mr. CONNALLY of Texas. The gentleman is perfectly correct as to American awards, but I am talking about money which the United States Government takes out of the Treasury and pays to German claimants for the ships, radio stations, and patents. The gentleman does not contend we get that back from Germany?

Mr. GREEN of Iowa. No; and I have not said so.

Mr. CONNALLY of Texas. The gentleman said that to the gentleman from Tennessee.

Mr. GREEN of Iowa. No; he was asking me whether this money—

Mr. CONNALLY of Texas. I will leave it to the gentleman from Tennessee.

Mr. GREEN of Iowa. What the gentleman asked me was with reference to these American claims and awards with reference to the insurance claims, and I said that the payment of these awards would not cost our Government one cent.

The CHAIRMAN. The time of the gentleman from Iowa has again expired.

Mr. MILLS rose.

The CHAIRMAN. The gentleman from New York is recognized for five minutes.

Mr. MILLS. Mr. Chairman, frankly, I do not know whether these insurance companies made a profit or not on their war-risk and marine insurance business; but I do know that if the table from which the gentleman from Illinois [Mr. RAINEY] read is studied in full it indicates that on their war-risk and marine insurance, from August 1, 1914, to July 2, 1921, if you include their expenses, they showed a net loss and not a profit. I will insert that particular table in the Record at this point, since the gentleman from Illinois has assumed to quote from it:

Results of marine and war-risk insurance operations of 45 American insurance companies during war period, August 1, 1914, to July 2, 1921

	Net premiums written	Net losses paid	Ratio to premiums	Net expenses paid	Ratio to premiums
			Per cent		Per cent
Aug. 1-Dec. 31, 1914.....	\$5,352,769	\$2,272,133	42.44	\$1,793,920	33.51
1915.....	14,445,716	7,447,740	51.55	4,544,479	31.45
1916.....	25,163,854	11,646,929	46.28	7,091,998	28.18
1917.....	49,755,827	21,986,159	44.16	13,289,021	26.70
1918.....	53,266,619	31,499,232	59.13	15,751,482	29.57
1919.....	42,089,101	30,247,903	71.86	12,913,990	30.68
1920.....	39,278,248	30,692,399	78.14	13,579,437	34.57
Jan. 1-July 2, 1921.....	14,318,675	13,987,057	97.68	5,573,756	38.92
Subsequent to July 2, 1921.....	4,768,398	19,344,711	405.68	2,205,938	46.26
Net losses paid.....		169,124,263	68.07		
Reserves for war period claims not yet paid.....		2,600,652			
Total.....	248,439,207	171,724,915	69.12	76,744,021	30.89

Personally, I think the insurance companies are entitled to have the right of subrogation recognized. I can not see any distinction between an insurance company that writes burglary insurance and fixes its rate on the basis that if the property is going to be recovered their interest in the property is going to be recognized, and an insurance company that assumes a war risk, recognizing that an attempt is going to be made to sink the vessel and takes into consideration the fact that it is going to be subrogated to the right of the owner of the vessel at the end of the war. I can not see any distinction there.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. MILLS. Yes.

Mr. LAGUARDIA. The right of subrogation is not involved in this bill. If the gentleman will read his own bill on page 5, he will find that it provides—

But shall be considered only as an advance by the United States until all the payments from Germany in satisfaction of the awards have been received.

Mr. MILLS. I am not talking about any claim against the United States. There is no claim against the United States. I am talking about the right of an insurance company to an award specifically made to that insurance company by a tribunal set up by agreement under a treaty and which the amendment offered by the gentleman from Illinois will wipe out. That is what I am talking about. Nor can I distinguish the claim of insurance companies from the claim of the Standard Oil Co., for instance, which happens to be the largest claim involved. The Standard Oil Co. insured some of its vessels. If those vessels were sunk, the Standard Oil Co. recovered from the insurance companies, and the gentleman from Illinois would not have the insurance companies compensated for the loss. On the other hand, as to some of its vessels, during a part of the war, at least, the Standard Oil Co. set up a reserve and carried its own insurance. The gentleman from Illinois would allow the Standard Oil Co. to recover in spite of the fact that the reserve was sufficiently great to recover all losses and still permit them to make a profit. He would like the Standard Oil Co. to recover its claim when it carried its own insurance, but if an insurance company should have assumed the loss of the Standard Oil Co., the gentleman from Illinois would say that the insurance company can not recover. If there is any justice in that, I can not see it. If there is any reasonable distinction between those two classes of claims, I can not see it; and if the suggestion of the gentleman from Illinois is followed to its fundamentals, and if he really embodied in his amendment what he has in mind, he would provide that every large American claimant, irrespective of the merit of his claim, should not collect simply because it happens to be a large claim. With such a proposition, of course, I am not and can not be in accord. I go further. I deny the legal right of the Congress to adopt the amendment offered by the gentleman from Illinois.

I contend that when the United States Government has by agreement set up a tribunal to adjudicate the rights of its own nationals, which they possess by virtue of a treaty, and a foreign nation has agreed to pay the awards of that mixed tribunal to specific claimants, I claim that when the awards have been made and the payments have been received from Germany to pay specific awards made to a named individual or corporation there is a trust fund which the Congress of the United States can not tamper with.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. MILLS. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MILLS. I say that we have no right to appropriate money paid by Germany for the purpose of satisfying the award of A, an individual, or B, a corporation. I say it is held by the Secretary of the Treasury in trust for that particular individual and for that specific purpose and that if you attempt to withhold I believe the corporation or the individual can bring a mandamus and compel the payment.

Mr. JACOBSTEIN. Will the gentleman yield?

Mr. MILLS. I know that my distinguished friend from New York is going to say, "What about the *Alabama* claims?"

Mr. JACOBSTEIN. No; I will try to forget the *Alabama* claims if the gentleman will allow me to ask a question.

Mr. WAINWRIGHT. Will not the gentleman tell us about the *Alabama* claims? Some of us are interested in that.

Mr. JACOBSTEIN. I am asking this for information, in view of what the chairman of the committee has said. Is it the gentleman's understanding that the Mixed Claims Commission actually decided on the merits of each specific claim in the case of an insurance company or carrier? I mean, did they actually take the figures of the company and ascertain whether they actually made a loss or profit on their marine business during the war?

Mr. MILLS. Oh, no; I do not believe so. I think what the mixed claims tribunal did was to ascertain whether there was a loss and whether Germany was responsible for the loss, and how much of the loss was reimbursed to the owner, and what the exact claim of the insurance company was in a particular instance, without studying whether the company made a loss or a profit for that particular year.

Mr. JACOBSTEIN. Exactly.

Mr. MILLS. I assume that Judge Parker simply considered facts that were relevant in the determination of a legal question.

Mr. LINTHICUM. Will the gentleman yield?

Mr. MILLS. Yes.

Mr. LINTHICUM. As I understand it, Germany has not yet paid in the money to pay these claims of the insurance companies as determined by the Mixed Claims Commission.

Mr. MILLS. I would say to the gentleman from Maryland that Germany to date has paid in all she obligated herself to pay up to the present time, and by September 1, 1927, there will be \$14,000,000 available for the payment of these awards.

Mr. LINTHICUM. But there seems to be a sentiment that while we ought to perhaps pay these claims, they ought not to be paid until Germany has contributed the money as provided under the Mixed Claims Commission. Has the gentleman any thought or opinion to express along that line?

Mr. MILLS. That they should not be paid until—

Mr. LINTHICUM. Until the money is actually paid in with which to discharge these claims.

Mr. MILLS. I see no reason why, as fast as it is paid in, it should not be distributed pro rata among the claimants.

Mr. BLACK of Texas. Will the gentleman yield?

Mr. MILLS. Yes.

Mr. BLACK of Texas. It will, however, be paid much faster than that under this bill, because, as I understand it, all claimants will be entitled to be paid \$100,000 immediately, which may represent the entire claim.

Mr. MILLS. That is so.

Mr. BLACK of Texas. It would be very much faster than it would be under the payments under the Dawes plan.

Mr. MILLS. Much faster than if we did nothing. If we do nothing, then all the payments are distributed pro rata, whereas if we adopt this bill, certainly in so far as the small claimants are concerned and the personal-injury claims, they are infinitely better off because they collect in full at once under the terms of this bill.

I know even if my friend from New York does not cite the *Alabama* case, some one is going to cite the *Alabama* case, and they are going to point out that after Great Britain had paid a fixed amount to the United States Government for awards to American nationals, the Congress of the United States decided that it would not recognize any insurance claims, and the insurance companies were out.

There is a very sharp distinction between the situation in respect of the *Alabama* claims and this one. In that case the arbitration tribunal granted to the United States Government a lump sum, and left it to the United States Government to determine the particular claimants who should receive awards. That is not what has been done here. You have got

to refer back to the treaty of Versailles to find out what the rights of these claimants are. The treaty of Versailles provided that in the event the Allies did not take the property of German nationals to satisfy the claims of their nationals, that then a mixed arbitration tribunal should be set up for the determination of the claims of those nationals, and Germany would pay them.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. MILLS. I again ask that my time be extended five minutes, Mr. Chairman.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MILLS. Article 2 of the treaty of Berlin, by specifically incorporating by reference all of chapter 10 of the treaty of Versailles, included article 304 for the setting up of a mixed arbitral tribunal, and while the Mixed Claims Commission does not conform in every respect to the mixed arbitral tribunal provided for in article 304, it is unquestionably true that the preamble to the agreement setting up the Mixed Claims Commission recites that the authority for that agreement is drawn from the Berlin treaty, which, of course, includes those parts of the treaty of Versailles which are included by reference.

So the American nationals are receiving fixed awards determined by the judicial decision of a tribunal set up by an international agreement based on a treaty, set up by the very treaty which grants recognition of their claims. Therefore the awards of the Mixed Claims Commission are given by virtue of a treaty signed by the United States. The rights of the claimants are rights based on a treaty. That treaty is the supreme law of the land. I think they have a legal right to those claims of which you can not divest them without violating the provisions of the fifth amendment of the Constitution. I do not think you can divest them of their rights without reversing the policy which was adopted in 1896.

You know we have a statute on our books, the act of February 26, 1896, which provides that whenever the United States Government receives money from a foreign government in behalf of the claim of one of its citizens, it constitutes a trust, and the Supreme Court has held that under that statute the American claimant can mandamus the Secretary of the Treasury and compel the payment of that money. Unless you repeal this statute, this is a trust fund and you can not touch it; and if you do repeal it, I claim it is still a trust fund under the terms of the treaty, and you can not touch it.

Judge Parker, who is the umpire of the Mixed Claims Commission, and who has given the legal aspects of this problem much greater consideration than any one else, stated the law in the case as he understands it.

With the committee's permission I would like to read a brief extract from that opinion. He was distinguishing the cases of where a lump sum has been allotted instead of an individual award to a specific claimant.

But where a demand is made on behalf of a designated national, and an award and payment is made on that specific demand, the fund so paid is not a national fund in the sense that the title vests in the nation receiving it entirely free from any obligation to account to the private claimant, on whose behalf the claim was asserted and paid and who is the real owner thereof. Broad and misleading statements susceptible of this construction are found in cases where lump-sum awards and payments have been made to the demanding nation covering numerous claims put forward by it and where the tribunal making the award did not undertake to adjudicate each claim or to allocate any specified amount to any designated claim. It is not believed that any case can be cited in which an award has been made by an international tribunal in favor of the demanding nation on behalf of its designated national in which the nation receiving payment of such award has, in the absence of fraud, or mistake, hesitated to account to the national designated, or those claiming under him, for the full amount of the award received. So far as the United States is concerned, it would seem that the Congress has treated funds paid the nation in satisfaction of specific claims as held "in trust for citizens of the United States or others."

That is the law as Judge Parker states it. That I think is a correct statement of the law as it is and as it should be. I say that the amendment of the gentleman from Illinois would violate that law and the definite established practice. [Applause.]

Mr. BLACK of Texas. Mr. Chairman, I think there are some things connected with this bill which are not in the least in dispute. One is that we must recognize the awards of the Mixed Claims Commission. In making that statement I do not mean to say that the United States is under any obligations to pay

them, but they are awards against the German Government and must be recognized as such. Another is that all claims allowed by that commission would be entitled to be paid pro rata out of the funds received from the German Government. There is no dispute about that.

But we have here a bill that sets up different methods of payment than that agreed upon in the treaty of Berlin. We establish a separate fund in the Treasury of the United States. Now, what goes into that fund? There will go into it the \$14,000,000 that has been received from the German Government, as stated by the gentleman from New York [Mr. MILLS]. There will be put into it, as I understand, 20 per cent of the property in the hands of the Alien Property Custodian. There will be put into it, or there may be put into it, \$100,000,000 out of the Treasury of the United States. That will be paid by the taxpayers.

Mr. GREEN of Iowa. Fifty per cent of that award.

Mr. BLACK of Texas. Is to be paid in cash.

Mr. GREEN of Iowa. Only 50 per cent of that goes into the general fund. If the award was \$100,000,000 there would only be 50 per cent of it used in the general fund.

Mr. BLACK of Texas. Yes. The gentleman is correct about that. I will readily grant that under the policy of the United States—not always, as has been stated by the gentleman from Illinois [Mr. RAINEY] and others in the discussion—but it has at times been the policy of the United States to compensate for property seized from alien enemies. I am not quarreling with that. There is a maxim of equity, however, which we should always bear in mind, and that is: "We should be just before we are generous."

I do not see how any man who has read the testimony of impartial witnesses can maintain that we will be just to the taxpayers of the United States if we permit a possible award to claimants for German ships, radio stations, and patents seized during the war which will aggregate \$100,000,000. I would not support any bill that would fix that possible award at a higher figure than \$50,000,000, because if you will read the testimony of impartial witnesses I do not see how any man can come to the conclusion that it would even be in the neighborhood of justice to the taxpayers of the United States to saddle upon their shoulders a burden of \$100,000,000 for this property. If we make any payment for this property at all, it will be an act of grace and not in discharge of any legal liability, and I submit it would be an act of "amazing grace" to pay \$100,000,000 for it.

Now, what are we asked to do? We are asked to include in priority of payment the claims of insurance companies who carried their risks at war-time premiums, and, according to the figures read to us by the gentleman from Illinois [Mr. RAINEY], paid out a great deal less losses than they collected in premiums from the insured.

Mr. JOHNSON of Texas. Does it not seem unfair that the insurance companies should be paid and that other citizens who suffered losses receive no compensation?

Mr. BLACK of Texas. No; it does not. I realize perfectly well that the Mixed Claims Commission has found these insurance claims legal against the German Government, and claimants will be entitled to be paid out of the fund that is to be collected from Germany under the Dawes plan.

We are to get, I believe, under that plan, 2½ per cent of the amount paid in each year. It looks to me like it is inequitable; it looks to me like it is unfair; it looks to me like it is unjust to ask the taxpayers of the United States to get under the burden of paying these insurance companies that have already collected their losses out of the premiums paid by the insured.

Anything these insurance companies collect under their right of subrogation will be pure velvet to them. If they ever get it out of the German Government, then all well and good. But it is a most astounding proposition to include claims of that kind in this bill. They are entitled to no more than their pro rata part of what Germany pays in from year to year, and up to now that has totaled about \$14,000,000.

Mr. BROWNING. Mr. Chairman, will the gentleman yield?

Mr. BLACK of Texas. In a moment. If anybody has a right to be reimbursed from the standpoint of equity, if anybody has a right to be repaid out of the pockets of the taxpayers, it ought not to be the insurance companies, it ought to be the American citizens who had to put up the large premiums to carry the war risks, and I am not going to commit myself to the support of a bill that I think violates every principle of justice and fair dealing, as I think this one would do. [Applause.] I yield to the gentleman from Tennessee.

Mr. BROWNING. Is not the effect of this amendment now pending simply to remove them from the preferred class and not defeat their claims at all?

Mr. BLACK of Texas. Certainly. No one will contend, notwithstanding the Mixed Claims Commission may have made some erroneous awards, that we can go behind them so far as the liability of the German Government is concerned. We all concede that; but as to this particular class of claimants, let them wait until they get the reparations under the Dawes plan. They certainly have no right to be paid a single dollar out of the pockets of the American taxpayer.

Mr. LINTHICUM. As I understand it, the premium in peace times is one-eighth of 1 per cent, and during the war they charged 2½ per cent.

Mr. BLACK of Texas. I am not advised as to rates, but I am quite sure that they made the premium high enough to cover the losses and still leave a profit on the business. Anything they get now under their right of subrogation will simply swell their profits and increase their dividends.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. RAINEY rose.

Mr. GREEN of Iowa. The gentleman does not wish to speak further on his amendment, does he?

Mr. RAINEY. Yes; I want to close debate on my amendment. I move to strike out the last two words.

Mr. GREEN of Iowa. The gentleman is aware that that is a very unusual proceeding.

Mr. RAINEY. I am not aware of it. I move to strike out the last two words.

The CHAIRMAN. The Chair understands that the gentleman from Illinois, having discussed his amendment, can not discuss it further without unanimous consent.

Mr. RAINEY. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. RAINEY. Mr. Chairman, as I understand, the legal presentation made by my friend from New York [Mr. MILLS], for whose opinion I have much respect, the position taken by him is this: That Germany has agreed under her treaty with us—the treaty of Berlin—to pay us certain sums of money for a period of years; and that when those sums of money are paid by her under that treaty they therefore become trust funds in the hands of the United States; and, inasmuch as she has agreed to reimburse these insurance companies for their ship and cargo losses, therefore we have no right to legislate this amount away from them. The position of the gentleman would perhaps be correct if we were receiving the \$10,700,000 a year under our treaty with Germany. We are not getting 1 cent of it under the treaty of Berlin. We tried to do it and found that we could not, because Germany had agreed with all of the other nations to contribute to a reparations fund, to be divided by such nations as had agreed to the treaty of Versailles; and we never did that.

The \$10,700,000 does not come to us from Germany at all. It comes to us by virtue of the conference we had, the London conference, with the allied nations, and that conference was for the purpose of directing payments to be made by the Reparations Commission, and that commission gets its authority to act from the treaty of Versailles, and we are not a party to that treaty. Therefore the technical, legal argument of the gentleman does not apply to this situation at all, and we are not estopped. We get this money, not from Germany but from the Reparations Commission.

I am advised—and I think somewhere in the hearings this appeared—that we have paid a large part of the French spoliation claims, but that the part that we have not paid consists entirely of insurance claims like these claims here. They have been allowed by the proper tribunal just as these claims have been allowed by the Mixed Claims Commission, but for over 100 years we have refused to pay them, and we never will pay them. The effect of my amendment is simply to take this amount, nearly \$60,000,000, out of consideration at the present time. My amendment prevents the certifying of these claims for the purpose of payment at the present time and under this bill. Hereafter if these payments of \$10,700,000 per year are made, and if these conscionable claims are paid out of it as the years progress, many years from now, 15 or 20 years from now, there may be a fund left if this scheme works out, out of which these insurance companies can come in and get their allowances through this claims commission. We will reverse the precedents of a hundred years with reference to the French spoliation claims if we now permit these claims to be certified and paid. There is no evidence in this record to show how much these insurance companies made out of their war-risk insurance. That was carefully concealed, and the representatives who came before the committee said they did not know and could not distinguish it. I read to you the total

in premiums collected during the war. For example, in 1917, by just 46 of these hundred companies, and they amounted to \$49,755,000. And out of that amount they paid in losses \$21,000,000 and a little over.

They have some way of increasing their expenses as their incomes increase, but as a matter of fact the income of these 46 companies during the year 1917 was eight times as much as it was during the pre-war period, and, of course, that difference represents the insurance they received on account of the war-risk business which they did. These companies are closed corporations. You can not buy their stock; it is so profitable. Find some of it listed on the New York Stock Exchange if you can. You can not do it, and particularly during the war period. The business was so profitable during the war period that 100 companies engaged in the business of writing marine insurance, when we had only 25 companies doing that kind of business before the war.

Mr. LOZIER. Mr. Chairman, the gentleman, of course, is familiar with the devices by which insurance companies and public-service corporations inflate their expenses when they want to have their rates increased?

Mr. RAINEY. Oh, yes. They increase the salaries of their officials to an unconscionable degree, and their officials usually own the majority of stock of the company.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The question was taken; and on a division (demanded by Mr. RAINEY) there were—ayes 45, noes 83.

So the amendment was rejected.

Mr. RAINEY. Mr. Chairman, I offer another amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. RAINEY: At the end of line 6, on page 2, strike out the period, insert a comma, and the following:

The CHAIRMAN. We have passed that section.

Mr. GREEN of Iowa. I will be obliged to make the point of order.

Mr. RAINEY. It should be page 2, line 20.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

At the end of line 20, on page 2, strike out the period, insert a comma and the following: "except that no award shall be certified while the person on behalf of whom such award was made is charged with violation of the selective draft act, approved May 18, 1917, or the Army appropriation act of July 9, 1918, or the act approved August 31, 1918, amending the selective draft act."

Mr. RAINEY. Mr. Chairman, during the war there was one pro-German citizen of the United States who violated flagrantly and openly the laws of the United States and refused to submit to the selective draft act or any of its amendments and defied the Congress of the United States and the courts. He escaped from arrest by methods that are questionable and found a safe refuge in the enemy's country, where he lives now; and if we are to believe newspaper reports, he has become now a German citizen.

Mr. VAILE. If the gentleman will yield, I noticed in the debates of yesterday while the subject was under discussion Mr. MURPHY asked a question of Mr. GREEN of Iowa, whether the claim of Grover C. Bergdoll was paid, and he replied that there was special provision that that claim should not be paid.

Mr. RAINEY. It is not in this bill. There is in the hands of the Alien Property Custodian belonging to him and listed here as cash, \$50,979.53, which is known as claim No. 46862.

Mr. LA GUARDIA. Is that a claim against Germany?

Mr. RAINEY. It is for property seized by the United States.

Mr. LA GUARDIA. I am asking because I believe the gentleman's amendment would cover only claims against Germany. I do not believe that language presents a claim against Germany.

Mr. RAINEY. His property has been seized.

Mr. LA GUARDIA. Would the gentleman's amendment at this place cover that?

Mr. RAINEY. He has two years yet in which to make a claim for it and submit the claim to the Mixed Claims Commission under this bill.

Mr. LA GUARDIA. Will the gentleman repeat the amount of the claim?

Mr. RAINEY. A little over \$50,000 in cash, and investments with the Alien Property Custodian, as he states, amount to \$419,908.34.

Mr. WAINWRIGHT. On page 123, Grover C. Bergdoll, \$748,000.

Mr. RAINEY. In connection with these items is the statement that the Alien Property Custodian holds a balance in trust belonging to Grover Cleveland Bergdoll, \$748,591.26. I do

not know what the items are, but the Alien Property Custodian says he has got that much in all belonging to him. Now, the amendment I offer will keep him from receiving from the Alien Property Custodian any of this large fund so long as this charge stands against him, no matter whether he files a claim for it within the time limited for that purpose or not. I do not think we can afford, representing the people of the United States here, to agree directly or indirectly to leave open any loophole under which, during the period in which these claims may be filed, this amount may be allowed by the Mixed Claims Commission and certified.

Mr. GREEN of Iowa. Mr. Chairman, I want to say, to avoid further debate, and then yield to my friend from New York [Mr. MILLS], that the gentleman from Illinois has been very confused about this matter. This section of the bill refers to claims of American nationals in Germany. What he is talking about is the claim for money in the funds of the Alien Property Custodian, which is not yet dealt with until we get considerable further in the bill, and the matter has been fully taken care of, as will be explained by the gentleman from New York.

Mr. MILLS. Mr. Chairman, of course, I concur with the remarks of the chairman of the Committee on Ways and Means as to the lack of wisdom of talking on a bill which evidently has not been read. If the gentleman from Illinois has read the bill he would have found that not until page 23 do we deal with the alien property held by the Alien Property Custodian, and that the amendment which he suggests is utterly irrelevant to anything that can be found in section 3.

Now, for the purpose of avoiding future discussion of the Bergdoll case, I desire to call the committee's attention to section 22 of the trading with the enemy act, which provides that—

no person shall be entitled to the return of any property or money under the provisions of this act who is a fugitive from justice in the United States, or any State or Territory thereof, or the District of Columbia.

That was written into the law in 1923 by the Committee on Interstate and Foreign Commerce, and that provision is untouched by this bill.

Mr. RAINEY. He may be a fugitive now; but suppose he quits being a fugitive and comes back within two years?

Mr. MILLS. Even then under no conceivable circumstances could he come under any of the provisions of section 3, because section 3 has nothing to do with alien property whatsoever, as anybody who has read the bill would know.

Mr. HASTINGS. Would he not come under this later section if he surrenders?

Mr. MILLS. The gentleman means that if Mr. Bergdoll came home and surrendered and went to jail, would section 22 of the trading with the enemy act apply to him?

Mr. HASTINGS. I say, if he surrendered himself and was not a fugitive from justice, he could within two years make a claim under section 8, on page 23?

Mr. MILLS. I think he could. I think he might under the terms of the trading with the enemy act. But if he is an American citizen, how can we, under those circumstances, divest him of his property by act of Congress?

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Illinois [Mr. RAINEY].

The question was taken, and the Chairman announced that the noes appeared to have it.

Mr. RAINEY. Mr. Chairman, I ask for a division.

The CHAIRMAN. The gentleman from Illinois asks for a division.

The committee divided; and there were—ayes 19, noes 56.

So the amendment was rejected.

Mr. LAGUARDIA. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: Page 3, line 22, after the word "section," add the following: "The amounts awarded to insurance companies in respect to claims for losses sustained by reason of marine or war-risk insurance shall not be payable under this section."

Mr. LAGUARDIA. Mr. Chairman, there was some doubt in the minds of some of the Members that the amendment offered by the gentleman from Illinois [Mr. RAINEY] would prevent the payment of insurance claims heretofore awarded by the Mixed Claims Commission at any time. There can be no doubt from the wording of my amendment. First, I place it right after paragraph (f), which specifically provides that no award made by the United States Government on its insurance claims shall be payable under this section. This simply means that

the award shall not be payable under this section. If this amendment is adopted, then when we reach page 20, paragraph 12, we can place insurance companies in their proper place of priority, just as we provide for payments to the United States for similar insurance claims.

Mr. BLACK of Texas. Mr. Chairman, will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. BLACK of Texas. The claims of the United States will have to await payment from the General Government, and all your amendment would do would be to require the insurance companies to wait the same length of time.

Mr. LAGUARDIA. Exactly. Let me point out this: From the discussion of these insurance claims there has been a great deal of confusion on the so-called principle of subrogation. We are not disturbing the principle of subrogation in my amendment. That has nothing to do with this bill. The bill provides that these payments are simply advances, and no insured has any right to an advance, hence there is no right of subrogation.

So long as you are not dealing with a legal right the principle of subrogation does not hold. So in this bill, where we are making "advances" as specifically stated in the bill, there is no right that the insurance companies can demand under the principle of subrogation. By retarding the advance payment of these insurance companies' claims we will be able to release a greater percentage of property belonging to the German nationals now in the custody of the Alien Property Custodian than contemplated in the bill. We could also advance and anticipate payment of other American claims to a greater degree than contemplated in the bill. Regardless of what figures may have been produced on the floor of the House this afternoon, the facts nevertheless are, the figures of the insurance companies themselves show, that these companies have made enormous profits out of marine and war-risk insurance on these very "losses" that they now claim. The real fact is that these insurance companies sustained no losses. There has been no real loss suffered by these same insurance companies, but that has nothing to do with the consideration of this line of claims under the bill. Their claims have already been awarded by the Mixed Claims Commission. We have nothing to do with that. But we have the right to decide as to the priority of payments as long as these advance payments are purely voluntary. We surely can and should place the advance payments in order of their respective merits. My amendment would put the insurance companies' claims at the bottom of the list, where they belong. This in turn will permit quicker full return to German nationals of this property in the hands of the custodian of alien property and quicker and larger advances to American claimants of their awards against the German Government.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from New York.

The question was taken, and the Chairman announced that the noes appeared to have it.

Mr. SCHAFER. A division, Mr. Chairman.

The CHAIRMAN. The gentleman from Wisconsin asks for a division.

The committee divided; and there were—ayes 31, noes 54.

So the amendment was rejected.

Mr. SCHAFER. I make the point of no quorum, Mr. Chairman.

The CHAIRMAN. The gentleman from Wisconsin makes the point that there is no quorum present. The Chair will count. [After counting.] One hundred and fifteen Members are present—a quorum.

Mr. O'CONNOR of Louisiana. Mr. Chairman, I move to strike out the last word. I am going to vote for this bill. I recognize that it is probably the best that the Ways and Means Committee could report out. Without the assurance of the members of that committee, that it is a complicated matter, I think the Members of the House would perceive that fact. There is no question that there were many difficulties that presented themselves in its solution. I imagine it has been no easy matter for the Members of the House, only having the benefit of general debate and the discussions under the five-minute rule, to determine whether it was an entirely meritorious measure or not. For that reason it appears to me the American people, who are greatly concerned in this bill, are entitled to all the available information that we can impart.

There are one or two features of this bill which would puzzle the proverbial Philadelphia lawyer without some elucidation and some explanation. The American people who have no financial interest in this bill will find it difficult to understand why German investors in American securities and American bonds are made whole while American investors in Ger-

man securities and German bonds, made before the war and at a time unsuspecting, find themselves sandbagged, wrecked, and ruined by the manipulation of the German mark.

I concede that the treaty of Berlin and the findings of the Mixed Claims Commission are binding, to a large extent, upon this Congress. But, at least, the American people are entitled to know by what process of reasoning the representatives of the American Government at Berlin distinguished between obligations that matured during the war and obligations that matured after the war. I confess I never could understand the difference between tweedledum and tweedledee. But apparently our representatives saw that difference and gave vindication to it in a treaty that is binding upon this Congress.

I repeat, Mr. Chairman, it is difficult for the average American mind, not acquainted with mental acrobatics, not acquainted with the refinements of logistics and legalistics, to understand why his countrymen are left in the slough of despond and wrecked and ruined by the depreciation of the mark while the German investors in our securities receive back exactly the amount of their investment. I say, Mr. Chairman, the American people are entitled to enlightenment upon this important phase of the discussion, and we should be given the line of reasoning adopted by our representatives at Berlin in agreeing that there was a difference between obligations that matured during the war and those obligations that matured after the war. [Applause.]

The pro forma amendment was withdrawn.

Mr. GREEN of Iowa. Mr. Chairman, I think this is as good a point as any to take up the matter of the propaganda with which Congress has been assailed. It has not, I think, deceived my friend from Louisiana but which may have deceived many Members of the House into thinking there was something wrong in there not being a special provision in reference to a standard rate for the mark which would enable people who had invested in German securities to secure some relief through this bill.

Let me begin at the beginning of what started this agitation. There is a lawyer in town by the name of McGowan, who is identified with the firm of Zimmerman & Foreshee. I think he was formerly clerk to a Congressman. This propaganda is probably the most complete that was ever brought to bear upon any Congress. I am quite certain that more than 1,000 letters have been thrown in upon Members of Congress as a result of this propaganda. Some of them might have contained absolutely true statements, but some of them I know contained statements which were not correct; they contained these statements for the reason that this man McGowan expressly in his letter told them what statements to make to the Members of Congress to whom they might write. He went further than that and prepared a series of letters for them to sign. I say a series of letters; I think there were only two or three different forms, otherwise they were all exactly the same; and all with reference to the same matter, apparently, but in reality pertaining to people in quite different situations. These form letters had been run off on the multi-graph; that is quite plain, because I have a number of them here, and all the correspondent had to do was to sign these letters and send them in to Congressmen.

Now, most of the people to whom Mr. McGowan addressed his letters were purchasers of German marks or bonds of the German Government. Some of them, however—and there were only a few—were not. They had purchased these bonds and these marks for one of two purposes, either for the purpose of assisting the German Government or for the purpose of speculation.

Mr. O'CONNOR of Louisiana. Will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. O'CONNOR of Louisiana. I am not concerned with the propaganda to which the gentleman is referring. I asked the gentleman to give me the line of reasoning adopted by the treaty makers in differentiating between bonds that matured during the war and bonds that matured after the war, investments made by American investors—

Mr. GREEN of Iowa. If the gentleman will permit, I would like to make my statement in an orderly way.

Mr. O'CONNOR of Louisiana. Investments made by American investors before the war and at a time unsuspecting. I do not care to have an answer with reference to speculators who made investments in marks. I am talking about innocent American investors.

Mr. GREEN of Iowa. If the gentleman has not concluded his address I will let him go on, but I would like to make my statement in my own way.

Mr. O'CONNOR of Louisiana. I am perfectly willing to let the gentleman do that. I would not think of interfering with

him, but in so far as taking up his time I know he is in a position to secure all the time he wants to discuss this bill.

Mr. GREEN of Iowa. I know that is quite true, but I would like to make my statement in an orderly way. As I say, most of these parties are of that character and they are entitled to no sympathy from Congress and would get no sympathy from my friend from Louisiana. However, there were probably a few other parties who had invested in bonds or securities issued either by individuals or by corporations.

In one solitary instance, I think, the corporation was one that existed in this country; but the bonds or securities which they got were payable in marks, and by a recent decision of the Supreme Court of the United States it has been held—

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. GREEN of Iowa. Mr. Chairman, I ask for five additional minutes.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to proceed for five additional minutes. Is there objection?

There was no objection.

Mr. GREEN of Iowa. It has been held in the case of a claim on a bank for deposited money, as follows:

We may assume that when the bank failed to pay on demand its liability was fixed at a certain number of marks both by the terms of the contract and by the German law; but we also assume that it was fixed in marks only, not at the intrinsic value that those marks then had in commodities or in the currency of another country. On the contrary, we repeat, it was and continued to be a liability in marks alone and was open to satisfaction by the payment of that number of marks at any time, with whatever interest might have accrued, however much the mark might have fallen in value as compared with other things.

The committee did not feel it ought to try to change this decision of the Supreme Court, and it was the more of that opinion because this decision is in accord, as the majority of the committee thought, with the established law and custom. The German Government has done nothing different from what we did by the trading with the enemy act. It has done nothing different from what this country did in the time of the Civil War. A British investor that had a claim in dollars before the Civil War which did not come due until after the Civil War, found himself often confronted with the fact that payment would only be made with 50-cent dollars compared with the currency in use at the time the debt was originally contracted. This is an old-time rule handed down from long ago.

Now, the Mixed Claims Commission differentiated—and I suppose this is the point the gentleman would like to have me come to—in such a way as to permit a recovery on certain of these claims, and I think the Mixed Claims Commission made a very liberal ruling with respect to them. They held where a contract was entered into prior to the war and fell due during the war between this country and Germany, and by reason of the acts of the German Government and the statutes which it had passed, the claimant was prevented from presenting his claim and bringing it to judgment, then and under such circumstances he could recover the damages which he had sustained by the subsequent fall in the value of the mark.

Mr. RAMSEYER. Recover from whom in that case—from the German Government?

Mr. GREEN of Iowa. From the German Government. I think there are quite a number of these claims that were allowed by the Mixed Claims Commission as awards against the German Government.

Mr. RAMSEYER. The position being that the American citizen lost on that contract with some German firm or individual because of the acts of the German Government.

Mr. GREEN of Iowa. Yes. It seems to me that was a very liberal rule and about all that can be done. If their debt did not fall due until after the war, then they were exactly in the same position as if no war had occurred and other circumstances had caused the depreciation of the mark.

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. NEWTON of Minnesota. In any event, so far as Congress is concerned, in claims against the German Government, we are absolutely bound by the treaty and the Mixed Claims Commission; and if we wanted to we could not open up that subject matter and allow claims against Germany that became due after we had arrived at peaceful relations.

Mr. GREEN of Iowa. That is quite true, but the gentleman from Louisiana wants me to go a little further—

Mr. O'CONNOR of Louisiana. If the gentleman will permit me, this colloquy is largely for the purpose of getting into the

RECORD a complete explanation of the transaction. I feel that the American people are entitled to all of the available information and I gladly consulted the Chairman and he said he would make a reply, and this is for the purpose of conveying such information. I wish to say to the gentleman I thoroughly understand that the treaty is of binding effect, and so are the findings of the Mixed Claims Commission, but what I want to bring out is the line of reasoning adopted in differentiating between bonds that matured before the war and those that matured after the war. I know the facts, but I want to know the line of reasoning that caused that conclusion.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. NEWTON of Minnesota. Mr. Chairman, I ask unanimous consent that the gentleman may have two additional minutes.

Mr. SCHAFER. I object. The gentleman wanted to hasten along a while ago and close off other speakers.

The CHAIRMAN. Objection is heard.

Mr. O'CONNOR of Louisiana. I wish to thank the Chairman for his explanation.

Mr. GARRETT of Tennessee. Mr. Chairman, I wish to be sure that I understand the facts in regard to these securities that are under discussion just now, and I will state my understanding and will ask to be corrected if I am in error.

As I understand it, a large number of American citizens from time to time in years past invested in securities, most of them being obligations of the German Government itself. Many of these securities were left in Germany, being deposited in banks and other places for safe-keeping or for investment or for whatever purpose was desired by the owners, and the physical properties were there when we became involved in the war. The German Government, following our alien property acts, passed what they called a retaliatory measure, under which these properties were seized by whatever official it was that corresponded to the Alien Property Custodian in the United States, and these properties were held, and I suppose are still being held. Am I correct as to that—that they are still being held?

Mr. GREEN of Iowa. The gentleman means American property held in Germany?

Mr. GARRETT of Tennessee. Yes.

Mr. GREEN of Iowa. No; I think none of it is being held there now.

Mr. GARRETT of Tennessee. At any rate, by reason of the debasement of the German currency, these particular properties have become almost valueless. This I understand to be the claim of the holders of these securities. With these facts as a basis, it seems to me it is wise for us to inquire—and these security owners ought to be given an understanding of the situation—what is the duty of our Government under such circumstances.

Without conceding that we can not go behind the Mixed Claims Commission, as is contended by the gentleman from Minnesota, but rather proceeding upon the assumption that we could go behind the Mixed Claims Commission's finding, have we a governmental duty to perform in connection with the securities; and as a factor in that it seems to me it might be well enough to inquire, have our nationals with respect to these particular securities which they own been treated any worse by Germany than were the citizens of Germany themselves who held similar securities? If I have been correctly informed, by the debasement of their currency Germany wiped out the values of unnumbered millions and millions of marks and dollars held by their own citizens. But aside from that question, it seems to me it goes farther, and it is a question of what this Government can do under circumstances of that sort.

Is it the duty of this Government to undertake to prevent another government debasing its currency? That, it seems to me, might raise a very interesting question of international law. These matters have been called to my attention by some friends that are interested, and it seems to me that the practical situation that confronts us now is that it is a matter that can not very well be dealt with in this bill.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GARRETT of Tennessee. I ask for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. GARRETT of Tennessee. What could we do in this bill? All that I know that we could do would be to set aside a larger amount than it is proposed to withhold for security on these debts that we do deal with in the bill. Would we be justified in doing that in view of the declaration of policy which we are making?

I really do not see that the legal or moral phases of this question are affected by the fact that they were seized during the war. So far as that moral element is concerned, it would seem to me to be the same had there been no war and had the German Government debased its currency and thus affected the value.

Entertaining that view, I can not conceive that the failure of this bill to take care of these particular interests would of themselves justify a vote against the bill. It seems to me it is a matter which if the Government has to deal with, it can be dealt with at some other time and in some other way.

Mr. CROWTHER. Will the gentleman yield?

Mr. GARRETT of Tennessee. Yes.

Mr. CROWTHER. In regard to segregating a greater percentage in order to cover these claims, would it not be necessary to establish a new tribunal or else instruct the Mixed Claims Commission to take the claims up and consider them, because they have not up to the present time even considered them.

Mr. GARRETT of Tennessee. I presume that would follow.

Mr. LOZIER. Will the gentleman yield?

Mr. GARRETT of Tennessee. Yes.

Mr. LOZIER. Is it not true that this could only be determined after a new conversation between this Government and Germany? I understand the State Department is permitting lodgments in the State Department of claims of this character, assuring the claimants that no provision has been made for liquidation of the claims and holding them on the theory that at some future time there may be new conversations between this Government and Germany under which the claims might possibly be taken care of.

Mr. GARRETT of Tennessee. I am not informed as to the facts in that regard. I am not here undertaking to pass on the equities involved in the matter. I am merely saying that from the facts as they exist I do not see that the failure to include these particular matters would justify me in voting against the bill.

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. GARRETT of Tennessee. Yes.

Mr. NEWTON of Minnesota. I agree with the gentleman, but I wondered if the gentleman was of the opinion that we could take action and bind Germany notwithstanding the fact that there are the provisions in the treaty and the action of the Mixed Claims Commission which seem to me to be conclusive on us. I do not see how these parties can create a claim against Germany.

Mr. GARRETT of Tennessee. Of course I have made no contention that it could do so; I stated expressly all I could see that could be done would be to exercise the power of withholding a larger per cent of funds which we now have than that provided for in the bill.

Mr. MILLS. Mr. Chairman and gentlemen, if we want a proper understanding of this question we want to realize at the outset that you have not disposed of it when you say that German securities were held by American citizens. There are all kinds of securities. The term is used in a broad enough sense, as I understand, to include German marks purchased for speculative purposes in 1919 and 1920. Some would like to put those in. That is as reasonable as it would be for gentlemen who purchased French francs in 1921, which had largely depreciated by August last, to go to the Government and ask it to do something about it. I take it that every member of the committee would agree that that kind of a claim should be entitled to no consideration.

There are also gentlemen who purchased bonds of the German Imperial Government in 1916. These gentlemen find themselves in the position of a gentleman who backed the wrong horse. That is all. [Laughter.] They bought government bonds during the war period when Germany was engaged in a tremendous war. Of course they bought them with the knowledge that if Germany lost the war they would not be good for much. I do not think that they have any claim.

There is a class of American citizens that is entitled to consideration, perhaps, and that is the American citizen who, prior to the war, in good faith purchased German bonds, or bonds of German corporations, and who, because of the acts of the German Government, was unable to get hold of his bonds during the war period and therefore was deprived of the right to sell them. He has a case.

American citizens who had deposits in German banks and who could not withdraw those deposits when the war was declared have a case, because the mark was worth a great deal more the day war was declared, when they were entitled to their marks, than it is now.

The American citizen who purchased a German bond payable in marks who had it in his possession all of the time, in my

judgment, has no claim whatsoever because of the depreciation of the mark. He took the ordinary risk that any investor takes when he invests in the security of a foreign country. Take the people who bought Argentine bonds, for instance, recently. Suppose that great Republic should get into difficulty and her currency depreciate. I am not talking about bonds payable in dollars in New York, but bonds payable in the currency of the country. Do you think that they could go to their Government and say, "I made a bad investment and exchange has gone against me—now, help me out." I do not think so.

So, generally speaking, you have two classes of American claimants entitled to consideration, namely, depositors in German banks and the owners of securities who did not actually have physical possession of the securities, so that they were deprived of the opportunity to sell them when they thought the time had come to sell. Both of those classes of American claimants have already got legal remedies. Remedies were afforded them. If the debtor corporation or the bank happened to have property in this country which was seized by the Alien Property Custodian, the American citizen who held an obligation that fell due against the debtor which was not paid could sue in our courts to recover through the property of the corporation held by the Alien Property Custodian. That legal right has been available to them ever since we seized the property. It is unfortunately true that if he elected that particular remedy, by reason of the decision of the Supreme Court, I think handed down last summer, he is out of luck, because the Supreme Court, by a divided court, five to four, held that he was entitled to a judgment in dollars at the value of the mark on the day suit was brought. The court said that this was a claim payable in Germany in marks; that the date it became due was the date that demand was made, and that bringing the suit constituted a demand, and under the German law he would have been paid so many marks, and that the mere fact that the claimant or creditor was able to obtain jurisdiction over the debtor in the United States did not alter the law under which the case should be determined; that he was entitled to no greater payment in dollars than he would have received in a German court in marks had he brought suit in Germany. As a result of that decision, those American citizens who availed themselves of the first legal avenue to recoup themselves by means of suing through the Alien Property Custodian will not be very successful.

On the other hand, there is another method which was open to them. They could present their claims to the Mixed Claims Commission; and if they were able to show that they had a security in Germany which fell due, or if they had a security in Germany which they were unable to remove because of the war regulations of the German Government, then the Mixed Claims Commission gives them an award, and the Mixed Claims Commission has been very generous in interpreting the value of the award which it would give. The Mixed Claims Commission has held in the case of bank deposits that they will consider the declaration of war as constituting a demand, and they have been awarding the payments to American claimants on the basis of a 16-cent mark—the value of the mark, I think, in April, 1917—so that the man who elected to go before the Mixed Claims Commission gets his claim, generally speaking, in a 16-cent mark; and the man who elected to sue in the court and attach alien property is out of luck, because the Supreme Court has held against him.

What we are, in effect, being asked to do in the amendments that have been suggested is to reverse the decision of the Supreme Court as to what is the proper measure of damages. That is what these amendments amount to. The other class of people that we are being asked to help are the people who did not avail themselves of the Mixed Claims Commission and allowed the statute of limitations to run. In other words, they did not present their claims in time. If you study the amendments that have been suggested in this connection, I think you will find that you are being asked to do one of two things—either overrule the Supreme Court or else waive the statute established by joint agreement between Germany and the United States. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. WINGO. Mr. Chairman, I have no desire to discuss the bill, because, candidly, I do not know enough about the details of the bill to do so. I simply arose to notice one statement of the gentleman from Iowa [Mr. GREEN], whose attention I would like to have. Before I notice that statement by the gentleman from Iowa I would like to direct the attention of the committee to this fact, that as I understand under this bill we are dealing with property that was seized during the war and attempting to settle claims which grew out of the war,

and that is a distinct and separate proposition from the question of depreciated marks or a debased currency about which the constituents of some gentleman are very anxious. In other words, this bill is dealing with the war problems, the seizure of war property for damages growing out of acts during the war. If gentlemen or citizens of this country—I am not discussing the merits of their claims—if they are entitled to any relief or any action by the Government, which the gentleman from Tennessee has so wisely discussed, that is a different proposition from these war claims. The statement I refer to by the gentleman from Iowa, as I understood it, was he was talking about the German Government debasing its currency and saying it was nothing more than we did right after the Civil War. I do not believe the gentleman from Iowa intended that inference.

Mr. GREEN of Iowa. That remark was not entirely accurate. Our Government acted in a different direction and in a different degree.

Mr. WINGO. Well, it is immaterial, but I did not want that statement by inference to go unchallenged. The gentleman did not mean that to be the conclusion. We did just the opposite of what the German Government did. I presume what the gentleman had in mind was the greenback and a depreciated currency. There was not any fixed policy of this Government to debase its currency.

The greenback was issued as a war necessity, and just as soon as this Government got out of the war we put forth every effort by legislative act, by administrative control, to maintain the integrity of the promises to pay of the Government of the United States, and as quickly as possible provided as the present law exists. You can take the greenback to the Treasury, if you desire to do so, and get gold for it. In other words, our Government never adopted a policy of currency debasement.

Mr. BURTON. If the gentleman will yield, the decision in the legal-tender case held that debts incurred when our currency was on a gold standard could be repaid when there was a discount in varying amounts from 25 to 15 per cent, and further we did not resume specie payments until the 1st of January, 1879.

Mr. WINGO. That is true. I think, if the gentleman will follow me, I think the gentleman from Ohio will agree with me that whatever might have been a defect of judgment at that time there was at no time a policy fixed by those in charge of our Government deliberately to profit at the expense of the other peoples of the earth by debasing our currency. I think the gentleman from Ohio will agree to that.

Mr. BURTON. There was no intention to do that, but the result—

Mr. WINGO. I am not talking about results, I am talking about the deliberate policy of those responsible.

Mr. STEVENSON. Will the gentleman yield?

Mr. WINGO. I hardly have time, but I will yield.

Mr. STEVENSON. In reference to policy the gentleman remembers that immediately after the war the question arose as to whether the bonds which were issued during the war and sold for greenbacks bringing 52 cents on the dollar should be paid in gold or in greenbacks.

Mr. WINGO. Congress, under the leadership of Mr. Blaine and Mr. Garfield, adopted a policy to have it paid in gold, and that brought on what was known as the greenback war, so that the policy of this Government was established, as the gentleman says, absolutely to repay its debt in gold at its face value.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. WINGO. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. BURTON. The bonds to which the gentleman from South Carolina [Mr. STEVENSON] refers, the five-twenties, so called, were specifically payable in gold.

Mr. STEVENSON. The gentleman is mistaken. The coupons were made payable in gold, but nothing was said as to the payment of the principal in gold, and the result was there was a contention about it.

Mr. WINGO. The fact that I want to present to the House—whichever gentleman may be correct or not—is to state the deliberate policy and intention of the Government. I am not talking about the results, not about what was done; but the point I make is this, that neither under the administration of Mr. Lincoln nor any administration following it did the Congress of the United States enter upon the deliberate policy of debasing the currency of the United States and repudiating the obligations of the United States Government for the purpose of benefiting the people of the United States at the expense of the people of other countries.

What the German Government did can not be justified by what we did after the war. Those gentlemen who have kept themselves informed in regard to the policies of the German Government after the war know that the German Government deliberately entered upon the policy of inflating its currency and floating that currency abroad, with the deliberate intent to do what she subsequently did, namely, to bring about an indirect repudiation of that currency; and in my judgment an indirect repudiation of currency or bonds is worse than a courageous direct repudiation. What did they do? They did not say, "We will repudiate all these paper marks," but they issued a gold mark, with gold reserves, and the very moment they did that it rendered worthless the marks that were nothing but the promise of a bankrupt government.

That was my purpose in rising, not to let the statement go unchallenged that it was the deliberate policy of our Government to debase its currency from motives that were not recognized by self-respecting civilized governments, and that such a policy was adopted by our Government. We try to fulfill our obligations. We may have made mistakes as to our currency systems and our financial and economic policies, but at the same time never have the motives of the contending factions in these controversies been bottomed upon a base desire to defraud. We always strived to be fair and square and redeem our obligations. [Applause.]

Mr. NEWTON of Minnesota and Mr. COX rose.

Mr. GREEN of Iowa. Mr. Chairman, I move to strike out the last two words. I think it is obvious that at the rate we are going this afternoon we shall get to the end of this session before we finish this bill. Can not gentlemen get their remarks in at some other time?

Mr. COX. I would like to get recognition if it is possible in order that I may invite the committee to disclose the reasons for providing in this bill that a claimant holding claims fixed by the commission is denied the right of assignment.

Mr. GREEN of Iowa. How much time does the gentleman require?

Mr. COX. About three minutes.

Mr. GREEN of Iowa. How much time does the gentleman from Minnesota require?

Mr. NEWTON of Minnesota. About three minutes.

Mr. GREEN of Iowa. Then, Mr. Chairman, I ask unanimous consent that the debate on this section and all amendments thereto close in six minutes.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that all debate on this section and all amendments thereto close in six minutes, three minutes to be consumed by the gentleman from Georgia [Mr. Cox] and three minutes by the gentleman from Minnesota [Mr. Newton]. Is there objection?

There was no objection.

Mr. NEWTON of Minnesota. Mr. Chairman, if I may have the attention of the gentleman from Iowa, I want to finish up a colloquy that we had when the gentleman from Wisconsin objected to the extension of his time. During the war there arose claims on the part of American nationals against the German Government. It then became the duty of the American Government at the time of the peace negotiations to do everything within its power to see that the claims of its citizens against the German Government were paid. We made a treaty with Germany. We made provision in that treaty for Germany to pay the American claimants. We specified the nature of the claims. We created a tribunal to try and hear those claims—the Mixed Claims Commission. A six months' statute of limitation was provided by the treaty or by the commission in accordance with the treaty. All claims were to be filed during this six-month period. If not so filed the claims were barred.

The commission determined the claims, their allowance, and the time of allowance, and so forth. The point I am trying to make is this: That this was based on the treaty-making powers of our Government. Germany, under that, obligated itself to pay those claims, and only those claims.

Now, it does not rest with the legislative power of the Government to add to that arrangement in any way, shape, or form. We can not extend the time for the filing of the claims. We can not create claims that were not contemplated and arranged for by the treaty and by the Mixed Claims Commission. The only thing we can do by legislative act, plus the act of the Executive, is to repudiate the treaty altogether, which nobody wants to do. So that it seems to me that the claims that can not be considered by the Mixed Claims Commission are something that Congress can not do anything about. It is something for the treaty-making power and the Executive branch of the Government, and not for the Congress to do.

Mr. GREEN of Iowa. I think the gentleman from Minnesota is correct.

Mr. COX. Mr. Chairman and gentlemen of the committee, my sole purpose in asking recognition is to direct attention to the wording of paragraph (g) of section 3 of the bill.

Mr. GREEN of Iowa. On what page?

Mr. COX. On page 4. In other words, gentlemen of the committee, this bill is so drawn as to deny to any claimant whose claim has been adjudicated the right of making an assignment. There are exceptions, however, and one of those exceptions you will find in subsection 4, where an assignment, made as the result of a receivership appointed by any court of the country, will be recognized. The effect of the word "only" in line 2, on page 4, is to deprive the claimant of the right to make an assignment of his claim. When you deprive him of the right of the use of his property, as in this instance the right of making an assignment, you take from him a substantial right, that is, the right to use his property and contract with reference thereto. The right to contract with reference to his property is a right which is inherent in the property.

This bill, if enacted in the language in which it is written and in the language to which I have called attention, will mean that one who finds himself in circumstances where it is necessary to contract with reference to his claim can not avail himself of that right ordinarily claimed and exercised under the laws of all the jurisdictions of the land, but in order to make an assignment he must be adjudicated insolvent and a receiver appointed to represent him. My purpose now is to have disclosures made as to the reason for the writing of the bill in that way.

Mr. GREEN of Iowa. This matter received the careful consideration of the committee.

Mr. COX. But do you not think the committee came to a wrong conclusion?

Mr. GREEN of Iowa. No; I do not. The committee believed that if the assignment of these claims were permitted generally, then the person paying them as provided under the bill would never know to whom to make payment, and there would be no way for him to protect himself against these assignments.

Mr. COX. May I make this observation? You recognize the right of assignment in this bill when you by the bill accept the doctrine of subrogation with reference to insurance companies. That right of subrogation is a right exercised under contract.

Mr. GREEN of Iowa. If the gentleman will permit, that is the basis of the award. We did not recognize the right in the case of insurance companies to make assignments.

The CHAIRMAN. The time of the gentleman from Georgia has expired. All time has expired. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read section 4, ending with line 24 on page 16.

Mr. GREEN of Iowa. Mr. Chairman, I offer a committee amendment.

The CHAIRMAN. The gentleman from Iowa offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GREEN of Iowa: On Page 10, line 17, strike out the letters "h" and "i" in parentheses and insert in lieu thereof the letters "g" and "h" in parentheses.

The amendment was agreed to.

Mr. McKEOWN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Oklahoma offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. McKEOWN: On page 9, line 15, and page 15, line 6, after the word "exceed" strike out "\$100,000,000" and insert in lieu thereof "\$50,000,000."

Mr. McKEOWN. Mr. Chairman and gentlemen of the committee: As I stated before, I think the committee has worked out, so far as claimants are concerned, as fair a bill as probably can be worked out, but I say now and here that \$50,000,000 ought to be the limit on the price of the ships, the radio station, and the patents. There is no use of taking up any more time on the proposition of making this settlement except to do this: Provide \$50,000,000, which will allow \$33,000,000 for the value of these ships, as fixed by the board appointed by the President at the time they were taken. That will allow \$17,000,000 with which to pay for the radio station and the patents. The radio station is estimated to be worth around \$500,000 and the patents are estimated to be worth \$7,500,000. That leaves \$9,000,000 under my amendment to determine the value of the patents, because that has never been determined by any board.

Now, gentlemen, let us be fair about it. I want to pay it off and be through with it. I would rather vote an amount

in excess of \$50,000,000, if it takes it, because I want to treat the American taxpayer fairly and not camouflage with him. I would rather have supported the bill that they called the Mills bill, because that absolutely provided for turning this property back and paying the American claimants. I would rather have supported that bill than to vote for this bill providing \$100,000,000, which permits us to camouflage this proposition. These ships, as a matter of legal right, were the property of the United States, and under the law they have no right to them. However, in order to carry out the traditional policy of this country we are willing to pay for them, but I say we should only pay the value which was fixed at the time they were taken over, which was the value fixed at that time so the Congress of the United States, when it came to settle the matter, could pay that value to the German owners of the ships.

I say that whenever you pass a bill here authorizing a limitation of \$100,000,000 you simply invite the owners of these vessels to come to the Treasury of the United States and take \$100,000,000 when they are by right entitled to take not over \$33,000,000 at the outside. If you want to put my amendment in here, I have no other criticism or amendment to offer to the bill. I simply stand here and say that you ought to put \$50,000,000 in this bill and strike out the limitation of \$100,000,000 and thereby save the taxpayers of this country \$50,000,000 and do the fair thing by the owners of these vessels.

It is all a matter of grace; and if we are going to carry out our traditional policy, let us not do it at the expense of the taxpayers and pay more than these things are worth; but if we are going to pay more than they are worth in order to settle these claims, let us go to work and do it and not be camouflaging this deal by saying we are simply going to pay for the ships.

Mr. DAVIS. Will the gentleman yield?

Mr. McKEOWN. I yield.

Mr. DAVIS. I will ask the gentleman if it is not a fact that these ships were worth more at the time of their seizure than they were at the time of the Berlin treaty or have been at any time since; and at no time since have they been worth anything like the appraised value at the time.

Mr. McKEOWN. The gentleman is quite correct.

The committee has laid down a rule by which to fix the value. Why fix any rule? We have had a board established. We have spent the money already to fix the value of these ships, and the value has been fixed at \$33,000,000, and I submit that you should therefore adopt this amendment. [Applause.]

Mr. GREEN of Iowa. Mr. Chairman, my friend, the gentleman from Oklahoma, says he would prefer to vote for the Mills bill. The gentleman does not seem to understand that the Mills bill contained in respect to this matter, of which he complains, substantially the same provision we have in the bill before us. This is one provision of the Mills bill that this bill accepts, namely, that the valuation of the ships shall be fixed by the arbiter under certain conditions and provisions and that the total value shall not exceed \$100,000,000.

My friend from Oklahoma, I think, does not understand the full situation with reference to this matter. We can not arbitrarily ourselves fix the value of these ships and say we will pay no more, because if we did, it would be conceded by everybody that we had practically confiscated the ships. If that was done, let me say to my friend from Oklahoma, that instead of an arbiter selected by ourselves determining the value of these ships under rules fixed by ourselves, we would have somebody appointed by the arbitration committee of the Reparations Commission to determine the value of these ships and take it out of the American money received from reparations.

Mr. McKEOWN. Does the gentleman mean to say that our representatives have gone over there and placed us in such a situation as to our traditional policy that they can say how much we are to pay for these ships?

Mr. GREEN of Iowa. No; but they can say that we will pay their value, from which it follows that we must leave it to some kind of a tribunal to fix it.

Mr. McKEOWN. Who got us into that kind of a fix?

Mr. GREEN of Iowa. There is no "fix" about it. It was the original treaty of Versailles, the treaty of Berlin, and the correspondence—

Mr. McKEOWN. The treaty of Versailles gave us the right to confiscate the property if we wanted to.

Mr. GREEN of Iowa. It did not. Even the English give the Germans credit for the ships they seized, but I am talking about the diplomatic correspondence that took place between our representatives and the representatives of England in which it was expressly agreed that if we ultimately appropriated or confiscated these ships, radio stations, and patents, the value thereof would be credited on the American share of the reparations.

Mr. McKEOWN. Yes; and I will say to the gentleman that that is the reason Germany is willing for some one American arbiter to fix it. She is afraid to have any of these other fellows fix it, because they would fix it at less.

Mr. GREEN of Iowa. In other words, you say Germany would rather we would select the arbiter to fix it as low as we can because we have to pay it. Is that what the gentleman understands? Surely the Germans would prefer a German commission.

Let me now call the attention of the committee to the utter absurdity of some of these original estimates on these ships totaling \$33,000,000. We have sold a few of the very poorest ships, not including any of the great passenger liners, for \$18,000,000.

Mr. McKEOWN. Will the gentleman yield right there?

Mr. GREEN of Iowa. And let me say another thing following out the line of remarks of the gentleman's colleague: The value of these ships under the terms of this bill will not be fixed at the time they were seized. The value will be fixed on the condition in which they were when seized, but the arbiter must take into consideration that Germany could not dispose of them until the conclusion of the war, and that date is expressly stated.

Mr. McKEOWN. That is what I wanted to ask the gentleman. The value would be the condition when delivered after the war.

Mr. GREEN of Iowa. I do not understand the gentleman. The condition is at the time when they were taken over by our Government, but the value to be considered is not until after the war.

Mr. McKEOWN. I was going to say the gentleman's bill provides that they shall be taken in the condition they were in after the war. I ask the gentleman if the value was not very low for ships all over the world at the close of the war? We could not hardly sell ours.

Mr. GREEN of Iowa. Yes; and we fixed it at the lowest time we could select to have the value fixed on the ships. I think we have gone to the lowest limit.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GREEN of Iowa. I ask for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. McSWAIN. Will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. McSWAIN. I understand the gentleman objects to fixing arbitrarily an outside limit beyond which the final judgment shall not exceed \$50,000,000, and yet the bill fixes the outside arbitrary figures at \$100,000,000. What is the difference in principle from a legal point of view between an arbitrary amount beyond which the judgment can not go as between \$50,000,000 and \$100,000,000?

Mr. GREEN of Iowa. There is this point of difference, that the German Government and the German representatives have both consented to that provision that the outside limit should be fixed at \$100,000,000, and there is always a difference when we once start to double the amount. One figure may be reasonable and the other may be unreasonable.

Mr. McSWAIN. The committee must have had some testimony before it as to what the aggregate of the final judgment would be when they fixed it at \$100,000,000.

Mr. GREEN of Iowa. Yes.

Mr. McSWAIN. What was it?

Mr. GREEN of Iowa. It varied from \$33,000,000 to \$230,000,000. The \$33,000,000 with interest and the reasonable value put on the radio stations and the patents would bring the total up to about \$50,000,000. So \$50,000,000 is about the very lowest amount of which any testimony was given in the committee.

Mr. McSWAIN. Suppose the final arbiter should ascertain the total value of the debt and radio stations and patents to be \$135,000,000 in the aggregate. Would the whole thing be scaled down pro rata so that it would not exceed \$100,000,000?

Mr. GREEN of Iowa. That is the provision in the bill.

Mr. McSWAIN. The Government interests and the respective nationals consented to that, did they?

Mr. GREEN of Iowa. They did.

Mr. McSWAIN. They did that before the committee?

Mr. GREEN of Iowa. Yes; by verbal communication.

Mr. McSWAIN. Then they are parties to the bill and are bound by it.

Mr. GREEN of Iowa. I think so. Certainly they are if they accept its benefits.

Mr. COLLIER. Will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. COLLIER. I will say that the committee feels confident that the findings of the arbiter will be considerably less than a hundred million dollars.

Mr. GREEN of Iowa. I think they will be less than that amount, under the limitations of the bill—much less.

Mr. COLLIER. Some Members are firmly convinced in their own minds it will be \$100,000,000. I would like the chairman of the committee to state whether, in the event that the arbiter does fix the amount at the extreme limit of \$100,000,000 because of the thousands of patents we have taken over—the radio stations and ships—remembering that the ships have been sold or converted into other vessels, whether or not there would be any loss to the United States.

Mr. GREEN of Iowa. As far as any loss to the United States the Government would not lose a thing if it paid more than \$100,000,000 because these ships were of immense value to the Government during the war and it has received great benefit from them.

Mr. COLLIER. Even if we have to pay the maximum amount, the Government of the United States will not lose anything.

Mr. GREEN of Iowa. The Government will be ahead. Now, with reference to the radio stations. It is said that the ground on which the radio station is constructed, the ground alone, is practically worth a million dollars. As to the patents there are several thousands of them, and it is extremely difficult to estimate their value.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. KINDRED. Mr. Chairman, I ask unanimous consent that the time of the gentleman be extended for two minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. KINDRED. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. KINDRED. Do I understand the gentleman to state that the nationals of Germany have by appearance before the committee committed themselves to the provisions of the bill?

Mr. GREEN of Iowa. By communication with the committee.

Mr. KINDRED. And does he mean to say by that that the nationals of this country, American citizens interested in the provisions of the bill, have committed themselves to its provisions?

Mr. GREEN of Iowa. Not the small claimants, because we are going to pay them off in full; but all of the larger claimants have agreed to its provisions.

Mr. DAVIS. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. DAVIS. I understood the gentleman to say that a portion of these seized ships were afterwards sold for \$16,000,000?

Mr. GREEN of Iowa. Eighteen million dollars.

Mr. DAVIS. Will the gentleman please tell which ships he referred to?

Mr. GREEN of Iowa. I can not name them, but they were ships of the very poorest class that the Government held.

Mr. DAVIS. I want to say that I have been trying to keep up with these things ever since the war, and that is news to me. There were some ships sold to irresponsible parties, one might say, that were taken back. I defy the gentleman, or anyone else, to point to any bona fide sales of ships at anything approaching that figure.

Mr. GREEN of Iowa. The gentleman is in error, but I can not stop now to correct him.

Mr. McKEOWN. Mr. Chairman, why is it necessary, in view of the fact that Congress will after a while have to appropriate the money that is in excess of \$50,000,000, to place a limitation of \$100,000,000 on the amount? Why not appropriate \$50,000,000 so that future Congresses can take care of the matter?

Mr. GREEN of Iowa. If the gentleman will read the bill he will see that that is all that is intended the first appropriation should carry.

I wish to say to the committee that if the amendment proposed by the gentleman from Oklahoma is adopted it simply wrecks the whole bill.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. RAGON. Mr. Chairman, I move to strike out the last word, and I do this for the purpose of asking a few questions of the chairman of the committee. I want him to tell me how that assertion which he made last is true. How will the adoption of the amendment of the gentleman from Oklahoma wreck the whole bill?

Mr. GREEN of Iowa. I am very glad to have the opportunity to explain that to the gentleman, although it will be

somewhat of a repetition of what I have already stated. The gentleman from Oklahoma is proposing to put a limit on the value of these ships, radio station, and patents that is purely arbitrary, and it is extremely likely and, I think, highly probable that it would be deemed a practical confiscation of the ships. It certainly would be considered that we never intended to go into any fair hearing and trial of what the value of the ships, the radio station, and the patents was, but, on the contrary, that we intended to take this arbitrary figure of the very lowest amount that could possibly be put upon them and then go into a pretense of a hearing upon it.

Mr. RAGON. I think I am in the attitude of a majority of the Members of the House. We want to follow the committee if we can, but we want some light on this particular question.

Mr. GREEN of Iowa. Let me add just a little further: I do not know whether the gentleman heard my remarks or not—that it has now been agreed between this Government and England that if we finally appropriated or confiscated these ships the value of them would have to be paid out of the American reparations.

Mr. RAGON. Let me suggest this to the gentleman, and I get it from the statements made here on the floor. At the time we took over the ships there was an appraisal or an evaluation of the ships. I understand that evaluation to have been \$33,000,000. I understand at the same time an evaluation was placed on the patents that we took over that approximated seven and a half million dollars. I do not know about the radio station. In any event an approximate valuation of \$40,000,000 was placed upon these things by the agents of the United States Government. Evidently those men were appointed for the purpose of rendering a decision that would point to this very hour.

Mr. MILLS. May I interrupt there, and I think the gentleman would want this information?

Mr. RAGON. Very well.

Mr. MILLS. The terms of the resolution under which these ships were seized did provide for a preliminary survey to be made by a naval board, with the specific provision that the preliminary estimate made by that board should be competent evidence, but not more than competent evidence when a final evaluation should be put upon them.

The very resolution under which they were seized and providing for this survey stated it should not be a final valuation, but simply competent evidence to be considered.

Mr. RAGON. It strikes me that is the most competent evidence. Now, we are here to-day to arrive at the question of whether or not this \$100,000,000 ought to be in here, and we are seeking competent evidence, and it strikes me the most competent and best evidence as to the condition of the ships at the time taken would be the testimony of these naval officers.

Mr. MILLS. But not conclusive evidence.

Mr. RAGON. No; but the best evidence, the most competent evidence. We are removed seven or eight years from the time these ships were taken. The men in the one department of the Government which makes their knowledge technically expert knowledge, the best qualified men, come and say the value is \$33,000,000 for ships and seven and a half for patents. Now, if we grant interest as an item, it would not approximate much more than \$50,000,000. Now, the question with me, and what I am trying to arrive at is—

The CHAIRMAN. The time of the gentleman has expired.

Mr. RAGON. Just a minute.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. RAGON. It strikes me this way, if you are going to take the revaluation which the naval officers placed on it, why put the \$100,000,000 in if you want to be square with the Government. It may be worth \$150,000,000. Why put \$100,000,000 and do some German citizen out of his claim?

Mr. GREEN of Iowa. If the German citizens are satisfied, why not the gentleman, and if we declare by resolution this shall be only evidence to be subsequently considered, why does the gentleman want to go back to a former resolution of Congress?

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn. The question is on the amendment offered by the gentleman from Oklahoma.

Mr. HILL of Maryland. May we have that resolution again reported?

Mr. COLLIER. Mr. Chairman, I move to strike out the last word. I shall delay the House only a minute along the line of the question asked the gentleman from Iowa as to whether or not the United States would be damaged even if we had to expend the full amount of \$100,000,000. Several Members have asked me what did we do with these ships; did we make anything out of them?

There are two items: One, the item for transportation, in regard to which, if we had not had the German ships, we would have had to pay British ships for transportation. We would have had to have paid the British companies on that one item alone \$75,000,000. In other words, if we had not had these ships we would have had to pay to other countries \$75,000,000 on transportation. And on the transportation of freight we would have had to pay \$29,000,000. This does not take into account ships sold and otherwise disposed of.

Mr. McKEOWN. We have a right to take those ships.

Mr. COLLIER. Certainly we have the right to take them now and put the money in any fund we want.

Mr. NEWTON of Missouri. Mr. Chairman, I move to strike out subdivision 3, on page 7.

The CHAIRMAN. There is an amendment pending. Without objection, the pro forma amendment of the gentleman from Mississippi will be withdrawn and the question is on the amendment offered by the gentleman from Oklahoma.

Mr. McKEOWN. Mr. Chairman, I call for a division.

The CHAIRMAN. The gentleman from Oklahoma asks for a division.

The committee divided; and there were—ayes 18, noes 48.

So the amendment was rejected.

Mr. NEWTON of Minnesota. Mr. Chairman, I move to strike out subdivision 3 on page 7 for the purpose of asking a question. This pertains to patents. The patents, ships, and radios were not seized under the trading with the enemy act. They were taken just before or just following the declaration of war. Now it develops that with respect to a great many of the patents as issued the patentees were not frank with the Government in that they did not disclose the true facts in their papers. There was an attempt to cover up. Consequently there was a great deal of difficulty on the part of the Government officials in order to ascertain just what were in the patents. In that situation, it seems to me, the applicants for the patents did not deal frankly with the Government. It seems to me that something of that kind ought to be taken into consideration in arriving at the value of these patents at that particular time.

Mr. GREEN of Iowa. The committee went into that matter at considerable length and spent, I think, half a day on that, and finally came to the conclusion that we could not properly do anything in the bill that would remedy the situation except this authority given to the officer, which is very broad. He can take that matter into consideration.

Mr. NEWTON of Minnesota. It always has seemed to me that along with the granting of a patent right to a national of a foreign government there ought to be reserved some right on the part of our Government to use the right in the event of war without confiscating it.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn.

There was no objection.

Mr. HASTINGS. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Oklahoma moves to strike out the last word.

Mr. HASTINGS. I do so in order to ask a question. I invite the attention of the Chairman to lines 18 and 19 on page 7, which is a part of section 2, with reference to the radio stations. It says:

That there shall be deducted from such value any consideration paid for such radio station by the United States.

The question I want to ask is, Was there some consideration paid to the German owners, and was that consideration accepted? What are the facts in reference to that?

Mr. GREEN of Iowa. No consideration, as I recollect, was paid to the German owners, but there was some consideration paid to other parties that had some claim.

Mr. HASTINGS. My question is with reference to this radio station. The last two lines of the paragraph on page 7 provide that "there shall be deducted from the appraisement any consideration paid for such radio station by the United States," which is an intimation that it was paid for once, and some consideration accepted by the owner.

Mr. MILLS. My recollection is that \$40,000 was paid at one time either for the land or for some equipment to the Alien Property Custodian. I do not give that to the gentleman as a definite statement of fact but my recollection is that the station was seized by the Alien Property Custodian and the property was purchased by the Government.

Mr. HASTINGS. No consideration was accepted by the alien owner in full consideration of the value of the property?

Mr. MILLS. No.

The Clerk read section 5, ending with line 20, on page 21.

Mr. GREEN of Iowa. Mr. Chairman, I desire to offer a committee amendment, to which, I am sure, there will be no objection.

The CHAIRMAN. The gentleman from Iowa offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GREEN of Iowa for the committee: Page 18, line 7, after "injury" and before the semicolon, insert a comma and the following: "together with interest thereon as provided in subdivision (c) of section 3."

Page 18, line 12, before the semicolon, insert a comma and the following: "together with interest thereon as provided in subdivision (c) of section 3."

Mr. GREEN of Iowa. Mr. Chairman, this is merely offered in order that the small claimants may receive their interest at the same time their payments are made, which would be immediately upon the bill going into operation.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Iowa.

The amendment was agreed to.

Mr. GREEN of Iowa. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MAPES, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill (H. R. 15009) to provide for the settlement of certain claims of American nationals against Germany and of German nationals against the United States, for the ultimate return of all property of German nationals held by the Alien Property Custodian, and for the equitable apportionment among all claimants of certain available funds, had come to no resolution thereon.

PERMISSION TO ADDRESS THE HOUSE

Mr. TILSON. Mr. Speaker, I ask unanimous consent that to-morrow, after the reading of the Journal, the gentleman from New York [Mr. MILLS] may proceed for five minutes.

The SPEAKER. The gentleman from Connecticut asks unanimous consent that to-morrow, immediately after the reading of the Journal and the disposition of matters on the Speaker's desk, the gentleman from New York [Mr. MILLS] may be permitted to proceed for five minutes. Is there objection?

There was no objection.

RESIGNATION FROM COMMITTEE

The SPEAKER. The Chair lays before the House the following communication:

DECEMBER 17, 1926.

The SPEAKER HOUSE OF REPRESENTATIVES, UNITED STATES.

MY DEAR MR. SPEAKER: I hereby tender my resignation as a member of the Committee on Mines and Mining.

Sincerely yours,

A. M. FREE.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, one of its clerks, announced that the Senate had passed without amendments bill and joint resolution of the following titles:

H. R. 12853. An act authorizing and directing the Secretary of the Navy to turn over the gunboat *Wolverine* to the municipality of Erie, Pa.; and

H. J. Res. 305. Joint resolution authorizing payment of salaries of the officers and employees of Congress for December, 1926, on the 20th day of that month.

The message also announced that the Senate had passed with amendment bill of the following title, in which the concurrence of the House of Representatives was requested:

H. R. 14557. An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1928, and for other purposes.

The message also announced that the Senate had insisted upon its amendments to the bill (H. R. 54) entitled "An act authorizing the removal of the gates and piers in West Executive Avenue between the grounds of the White House and the State, War and Navy Building," disagreed to by the House of Representatives, and had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had ordered that Mr. LENROOT, Mr. FESS, and Mr. ASHURST be the conferees on the part of the Senate.

ENROLLED BILL SIGNED

Mr. CAMPBELL from the Committee on Enrolled Bills reported that the committee had examined and found truly enrolled bill of the following title, wherein the Speaker signed the same:

H. R. 12853. An act authorizing and directing the Secretary of the Navy to turn over the gunboat *Wolverine* to the municipality of Erie, Pa.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, one of its clerks, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12316) entitled "An act to amend the Panama Canal act and other laws applicable to the Canal Zone, and for other purposes."

ELECTION TO COMMITTEE

Mr. TILSON. Mr. Speaker, I offer a resolution which I send to the Clerk's desk.

The SPEAKER. The gentleman from Connecticut offers a resolution which the Clerk will report.

The Clerk read as follows:

House Resolution 342

Resolved, That HARRY L. ENGLEBRIGHT, a Representative from California, be, and he is hereby, elected a member of the Committee on Mines and Mining.

The resolution was agreed to.

CONFERENCE REPORT—PANAMA CANAL ACT

Mr. DENISON, from the Committee on Interstate and Foreign Commerce, presented a conference report on the bill (H. R. 12316) to amend the Panama Canal act and other laws applicable to the Canal Zone and for other purposes, which was ordered printed under the rule.

ADJOURNMENT

Mr. GREEN of Iowa. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 21 minutes p. m.) the House adjourned until to-morrow, Saturday, December 18, 1926, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. TILSON submitted the following tentative list of committee hearings for Saturday, December 18, 1926, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON APPROPRIATIONS

(10.30 a. m.)

War Department; Independent Offices; State, Justice, Commerce, and Labor Departments appropriation bills.

COMMITTEE ON MILITARY AFFAIRS

(10 a. m.)

Report on promotion and retirement by the Assistant Secretary of War.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

801. A letter from the Secretary of the Navy, transmitting a draft of a bill to authorize alterations and repairs to certain vessels, namely, the U. S. S. *Oklahoma* and *Nevada*; to the Committee on Naval Affairs.

802. A letter from the Secretary of War, transmitting a report from the Chief of Engineers on preliminary examination of the Missouri River between Kansas City, Kans., from the upper end of Quindaro Bend, and Pierre, S. Dak. (H. Doc. No. 594); to the Committee on Rivers and Harbors and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTION

Under clause 2 of Rule XIII,

Mr. LUCE: Committee on the Library. S. 4153. An act to provide for enlarging and relocating the United States Botanic Garden, and for other purposes; without amendment (Rept. No. 1630.) Referred to the Committee of the Whole House on the state of the Union.

Mr. WURZBACH: Committee on Military Affairs. H. R. 15127. A bill for the relief of sufferers from floods in the vicinity of Fabens and El Paso, Tex., in September, 1925; without amendment (Rept. No. 1631). Referred to the Committee of the Whole House on the state of the Union.

Mr. VINSON of Kentucky: Committee on Military Affairs. H. J. Res. 298. A joint resolution authorizing the Secretary of War to lend 700 cots and 700 blankets for the use of the North Carolina Department of the American Legion at its annual convention at Washington, N. C., in August, 1927; without amendment (Rept. No. 1632). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTION

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MacGREGOR: A bill (H. R. 15335) to amend subdivision A, paragraph 1, of section 6 of the immigration act of 1924; to the Committee on Immigration and Naturalization.

By Mr. BUTLER: A bill (H. R. 15336) to authorize alterations and repairs to certain naval vessels; to the Committee on Naval Affairs.

By Mr. FULMER: A bill (H. R. 15337) to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities; to the Committee on Agriculture.

By Mr. LaGUARDIA: A bill (H. R. 15338) providing for the payment of extra compensation to immigrant inspectors and other immigration employees for overtime work; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 15339) to adjust the salaries of custom inspectors; to the Committee on Ways and Means.

By Mr. REED of New York: A bill (H. R. 15340) to amend section 5 of the act entitled "An act to provide for the construction of certain public buildings, and for other purposes," approved May 25, 1926; to the Committee on Public Buildings and Grounds.

By Mr. THOMPSON: A bill (H. R. 15341) to amend Federal corrupt practices act, 1925; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. WELLER: A bill (H. R. 15342) amending section 216 of the act of February 26, 1925, entitled "An act to reduce and equalize taxation, to provide revenue, and for other purposes," by increasing the personal exemptions for married persons from \$3,500 to \$5,000 and increasing exemptions for their dependents to \$500; to the Committee on Ways and Means.

By Mr. ZIHLMAN: A bill (H. R. 15343) to amend an act entitled "An act to provide for the examination and registration of architects and to regulate the practice of architecture in the District of Columbia," approved December 13, 1924, and for other purposes; to the Committee on the District of Columbia.

By Mr. FROTHINGHAM: A bill (H. R. 15344) to amend the act entitled "An act authorizing the conservation, production, and exploitation of helium gas, a mineral resource pertaining to the national defense, and to the development of commercial aeronautics, and for other purposes; to the Committee on Military Affairs.

By Mr. JONES: A bill (H. R. 15345) relating to certain cotton reports of the Secretary of Agriculture; to the Committee on Agriculture.

By Mr. O'CONNOR of Louisiana: A bill (H. R. 15346) to create a commission to ascertain the feasibility of constructing the Nicaragua canal; to the Committee on Interstate and Foreign Commerce.

By Mr. ZIHLMAN: A bill (H. R. 15347) to reorganize the office of the recorder of deeds of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. WARREN: A bill (H. R. 15348) authorizing an appropriation of \$50,000 for the erection of a memorial at Kitty Hawk, N. C., to commemorate the first successful airplane flight made by Wilbur and Orville Wright; to the Committee on the Library.

By Mr. SWING: A bill (H. R. 15349) to provide for the protection and development of the lower Colorado River Basin; to the Committee on Irrigation and Reclamation.

By Mr. WOOD: Joint resolution (H. J. Res. 307) providing for the participation of the United States in the celebration in 1929 of the one hundred and fiftieth anniversary of the conquest of the Northwest Territory by George Rogers Clark, authorizing an appropriation for the construction of a permanent memorial in the city of Vincennes, State of Indiana, and for other purposes; to the Committee on the Library.

PRIVATE BILLS AND RESOLUTION

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROWNE: A bill (H. R. 15350) granting an increase of pension to Hyram Colwell; to the Committee on Invalid Pensions.

By Mr. BULWINKLE: A bill (H. R. 15351) granting a pension to William E. Norton; to the Committee on Pensions.

By Mr. CANFIELD: A bill (H. R. 15352) granting an increase of pension to Mary E. Buchanan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15353) granting a pension to Nellie M. Wheeler; to the Committee on Pensions.

By Mr. CHALMERS: A bill (H. R. 15354) granting an increase of pension to Mary A. Northrup; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15355) granting an increase of pension to Edwina B. Vaughan; to the Committee on Invalid Pensions.

By Mr. CHAPMAN: A bill (H. R. 15356) granting an increase of pension to Jackson Cornett; to the Committee on Pensions.

By Mr. FAIRCHILD: A bill (H. R. 15357) authorizing the President to order Richard B. Barnitz before a retiring board for a hearing of his case and upon the findings of such board determine whether or not he be placed on the retired list with the rank and pay held by him at the time of his resignation; to the Committee on Military Affairs.

By Mr. FENN: A bill (H. R. 15358) granting an increase of pension to Kate Sloane; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15359) granting an increase of pension to Rose L. La Valley; to the Committee on Pensions.

By Mr. FLETCHER: A bill (H. R. 15360) granting an increase of pension to Elizabeth Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15361) granting an increase of pension to Mercy A. Wilson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15362) granting an increase of pension to Cynthia A. Culver; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15363) granting an increase of pension to Hannah Wetherill; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15364) granting an increase of pension to Catherine Wessner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15365) granting a pension to Ella Snyder; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15366) granting an increase of pension to Sarah Jane Sherer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15367) granting a pension to Emma Voelker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15368) granting an increase of pension to Susan M. Kyle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15369) granting an increase of pension to Cora L. Cole; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15370) granting an increase of pension to Candice Derr; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15371) granting an increase of pension to Eliza A. Teeple; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15372) granting an increase of pension to Lydia A. Ingerson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15373) granting an increase of pension to Myrtle A. Walters; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15374) granting an increase of pension to Amanda Warwick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15375) granting an increase of pension to Sarah Thompson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15376) granting an increase of pension to Martha J. Caldwell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15377) granting an increase of pension to Julia A. Karr; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15378) granting an increase of pension to Rose Frost; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15379) granting a pension to Ralph L. Taylor; to the Committee on Pensions.

By Mr. FOSS: A bill (H. R. 15380) granting an increase of pension to Annie W. Jarvis; to the Committee on Invalid Pensions.

By Mr. FROTHINGHAM: A bill (H. R. 15381) granting an increase of pension to Antoinette F. Cushing; to the Committee on Invalid Pensions.

By Mr. GREEN of Iowa: A bill (H. R. 15382) to amend the military record of Clarence H. Cress; to the Committee on Military Affairs.

By Mr. GREENWOOD: A bill (H. R. 15383) granting a pension to John P. Peek; to the Committee on Invalid Pensions.

By Mr. HERSEY: A bill (H. R. 15384) granting an increase of pension to Clara B. Brown; to the Committee on Invalid Pensions.

By Mr. HOCH: A bill (H. R. 15385) granting an increase of pension to Mary A. Rees; to the Committee on Invalid Pensions.

By Mr. HOLADAY: A bill (H. R. 15386) granting a pension to Margaret Clark; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Indiana: A bill (H. R. 15387) granting a pension to Ida Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15388) to correct the military record of Charles Plumb; to the Committee on Military Affairs.

Also, a bill (H. R. 15389) granting an increase of pension to Lucy A. Johnson; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Washington: A bill (H. R. 15390) granting an increase of pension to Mabel F. Coen; to the Committee on Invalid Pensions.

By Mr. KEARNS: A bill (H. R. 15391) granting an increase of pension to Mary Pumpelly; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15392) granting an increase of pension to Almira R. Graham; to the Committee on Invalid Pensions.

By Mr. KIEFNER: A bill (H. R. 15393) granting an increase of pension to Margaret E. Howard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15394) granting an increase of pension to Catherine Gibson; to the Committee on Invalid Pensions.

By Mr. McSWAIN: A bill (H. R. 15395) granting a pension to George C. Ezell; to the Committee on Pensions.

By Mr. MORGAN: A bill (H. R. 15396) granting an increase of pension to Catherine Rodgers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15397) granting an increase of pension to Margaret Belt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15398) to extend the provisions of the United States employees' compensation act of September 7, 1916, as amended, to Josephine Doney; to the Committee on Claims.

By Mr. MURPHY: A bill (H. R. 15399) granting an increase of pension to Hannah L. Andrews; to the Committee on Invalid Pensions.

By Mr. RAINEY: A bill (H. R. 15400) granting an increase of pension to Amelia Brant; to the Committee on Invalid Pensions.

By Mr. REID of Illinois: A bill (H. R. 15401) granting an increase of pension to Olive Bigelow; to the Committee on Invalid Pensions.

By Mr. ROUSE: A bill (H. R. 15402) granting a pension to Rosa Knochelman; to the Committee on Invalid Pensions.

By Mr. ROWBOTTOM: A bill (H. R. 15403) granting an increase of pension to Arvanah Henning Bass; to the Committee on Invalid Pensions.

By Mr. SNELL: A bill (H. R. 15404) granting an increase of pension to Mary M. Saber; to the Committee on Invalid Pensions.

By Mr. SPROUL of Illinois: A bill (H. R. 15405) for the relief of Raymond D. Smith; to the Committee on Military Affairs.

By Mr. STALKER: A bill (H. R. 15406) granting an increase of pension to Julia M. Buchanan; to the Committee on Invalid Pensions.

By Mr. STRONG of Pennsylvania: A bill (H. R. 15407) granting an increase of pension to Frances E. Harris; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15408) granting an increase of pension to John McGuire; to the Committee on Pensions.

By Mr. SUTHERLAND: A bill (H. R. 15409) for the relief of Ragnar Dahl; to the Committee on Claims.

By Mr. THOMAS: A bill (H. R. 15410) authorizing the enrollment of Carl J. Reid Dussome as a Kiowa Indian, and directing issuance of trust patents to him to certain lands of the Kiowa Indian Reservation, State of Oklahoma; to the Committee on Indian Affairs.

By Mr. VOIGT: A bill (H. R. 15411) granting an increase of pension to Emily Pettibone; to the Committee on Invalid Pensions.

By Mr. WELCH of California: A bill (H. R. 15412) granting an increase of pension to Sarah E. Holton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15413) granting a pension to Margaret A. King; to the Committee on Pensions.

By Mr. SUTHERLAND: Joint resolution (H. J. Res. 306) authorizing a preliminary examination or survey of isthmus south of Wedge Cape on Nagai Island, Shumagin group, Alaska; to the Committee on Rivers and Harbors.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4370. By Mr. CANFIELD: Petition of Mr. Charles N. Albin and 112 other signers, members and employees of the Indiana Masonic Home of Franklin, Ind.; to the Committee on Education.

4371. By Mr. CHRISTOPHERSON: Petition of G. E. Loomis and 40 other residents of Colton, S. Dak., and vicinity; to the Committee on the District of Columbia.

4372. By Mr. O'CONNELL of New York: Petition of the Broadway Association, New York City, N. Y., urging radio legislation that will relieve the chaotic condition existing at the present time in New York City and elsewhere; to the Committee on the Merchant Marine and Fisheries.

4373. By Mr. STRONG of Kansas: Petition of sundry citizens of Miltonvale, Kans., urging enactment of legislation for relief of those who were actively engaged in campaign frontier service during the Indian wars; to the Committee on Pensions.

4374. Also, petition of citizens of Clay Center, Kans., urging enactment of legislation to increase the pensions of the veterans of Indian wars, their widows, and dependents; to the Committee on Pensions.

4375. By Mr. DOYLE: Resolution of the West Central Association of Chicago, relative to the site for the new post office; to the Committee on the Post Office and Post Roads.

SENATE

SATURDAY, December 18, 1926

(Legislative day of Friday, December 17, 1926)

The Senate reassembled at 12 o'clock meridian, on the expiration of the recess.

T. H. CARAWAY, a Senator from the State of Arkansas, appeared in his seat to-day.

The VICE PRESIDENT. The Senate resumes the consideration of House bill 11616.

RIVER AND HARBOR BILL

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 11616) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Ferris	Jones, Wash.	Schall
Bayard	Fess	Kendrick	Sheppard
Bingham	Fletcher	King	Shipstead
Blease	Frazier	Lenroot	Shortridge
Borah	George	McKellar	Simmons
Bratton	Gerry	McLean	Smith
Broussard	Gillett	McMaster	Smoot
Bruce	Glass	McNary	Stanfield
Cameron	Goff	Mayfield	Steck
Capper	Gooding	Metcalf	Stephens
Caraway	Gould	Moses	Stewart
Copeland	Greene	Neely	Swanson
Couzens	Hale	Norris	Trammell
Curtis	Harrell	Oddie	Tyson
Dale	Harris	Overman	Wadsworth
Deneen	Harrison	Pittman	Walsh, Mass.
Dill	Hawes	Ransdell	Walsh, Mont.
du Pont	Heflin	Reed, Mo.	Warren
Edge	Howell	Reed, Pa.	Watson
Edwards	Johnson	Robinson, Ind.	Wheeler
Ernst	Jones, N. Mex.	Sackett	Willis

Mr. FRAZIER. I wish to announce that my colleague, the junior Senator from North Dakota [Mr. Nye], is unavoidably absent on account of illness in his family. I will let this announcement stand for the day.

The VICE PRESIDENT. Eighty-four Senators having answered to their names, a quorum is present. The Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were thereupon signed by the Vice President:

H. R. 12853. An act authorizing and directing the Secretary of the Navy to turn over the gunboat *Wolverine* to the municipality of Erie, Pa.;

H. R. 13504. An act to amend the act entitled "An act granting the consent of Congress to the Gallia County Ohio River Bridge Co. and its successors and assigns to construct a bridge across the Ohio River at or near Gallipolis, Ohio," approved May 13, 1926; and

H. J. Res. 305. Joint resolution authorizing payment of salaries of the officers and employees of Congress for December, 1926, on the 20th day of this month.

PETITIONS

Mr. CAPPER. I present a resolution adopted by the eighth national convention of the American Legion at Philadelphia, Pa., October 11 to 15, 1926, relative to the universal draft, which I ask may be read and referred to the Committee on Military Affairs.

There being no objection, the resolution was referred to the Committee on Military Affairs, and it was read, as follows:

Be it resolved by the American Legion in eighth national convention assembled, That we reaffirm our unalterable belief in the principle of the universal draft and in its fairness, necessity, and efficacy in times of national emergencies, and that we urge upon the Congress of the United States immediately to enact suitable legislation to make possible a complete mobilization of all resources, both of material and man power, in the event of such emergencies that we may not again have slackers and war profiteers.

Mr. CAPPER also presented petitions of sundry citizens of Wichita and Opolis, in the State of Kansas, praying for the passage of legislation regulating radio broadcasting, which were ordered to lie on the table.

Mr. COPELAND. Mr. President, I present a telegram from Commissioner G. V. McLaughlin, police commissioner of New York City, relative to firearms, which I ask may be printed in the RECORD and lie on the table. It refers to a matter of the greatest importance and confirms what I said on this subject yesterday. This bill should be enacted into law.

There being no objection, the telegram was ordered to lie on the table and to be printed in the RECORD, as follows:

NEW YORK, N. Y., December 18, 1926.

HON. ROYAL S. COPELAND,

Washington, D. C.:

I should like to request you to use your influence in the Senate to assist in the passage of bill H. R. 4502, making firearms capable of being concealed on the person nonmailable. Its enactment into law would be of material help to us in this city.

G. V. McLAUGHLIN,

Police Commissioner New York City.

REPORTS OF COMMITTEES

Mr. WADSWORTH, from the Committee on Military Affairs, to which were referred the following bills and joint resolution, reported them severally without amendment and submitted reports thereon:

A bill (S. 3624) authorizing the Secretary of War to obtain by reciprocal loan, sale, or exchange with foreign nations, in such quantities as are required for exhibition and study, articles of military arms, matériel, equipment, and clothing (Rept. No. 1199);

A bill (S. 4694) to amend section 47-d, national defense act (Rept. No. 1200); and

A joint resolution (S. J. Res. 111) authorizing the Secretary of War to receive, for instruction at the United States Military Academy at West Point, two Chinese subjects, to be designated hereafter by the Government of China (Rept. No. 1201).

Mr. WADSWORTH, also, from the Committee on Military Affairs, to which was referred the bill (H. R. 10728) authorizing the Secretary of War to convey to the Association Siervas de Maria, San Juan, P. R., certain property in the city of San Juan, P. R., reported it with an amendment and submitted a report (No. 1202) thereon.

Mr. GEORGE, from the Committee on Military Affairs, to which was referred the bill (H. R. 3665) to correct the military record of Thomas Spurrier, reported it without amendment and submitted a report (No. 1204) thereon.

Mr. SMOOT, from the Committee on Appropriations, to which was referred the bill (H. R. 14827) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1928, and for other purposes, reported it with amendments and submitted a report (No. 1203) thereon.

Mr. BINGHAM, from the Committee on Territories and Insular Possessions, to which was referred the bill (H. R. 4789) providing for the biennial appointment of a board of visitors to inspect and report upon the government and conditions in the Philippine Islands, reported it without amendment and submitted a report (No. 1205) thereon.

POSTAL RATES (S. DOC. NO. 176)

Mr. MOSES. I ask unanimous consent to present the report of the majority of the special joint subcommittee on postal rates. The Senator from Tennessee [Mr. McKellar] wishes to present at the same time the report of the minority. I ask that both reports may be printed in the RECORD and as a Senate document.

Mr. McKELLAR. I also present the report of the minority for that purpose.

The VICE PRESIDENT. The reports will be printed and also printed in the RECORD as requested.

The report submitted by Mr. MOSES and that submitted by Mr. McKELLAR are as follows: